Renewal of Substandard Housing

The Application of British Experience to China

Fei Wei

PhD: Architecture
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Renewal of Substandard Housing,
the Application of British Experience to China

Fei Wei (B.&Dip. Arch., M.&Dip. Arch., IAPS, AIA)

Supervisors: Prof. George Henderson
Dr.Tim Brindley
Prof. Neil Bowman

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Title: Renewal of Substandard Housing, The Application of British Experience to China

Author: Fei WEI

Degree: PhD in Architecture

Supervisors: Prof. George Henderson
Prof. Neil Bowman
Dr. Tim Brindley

Address: Department of Architecture
De Montfort University
Leicester LE1 9BH
UK

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Abstract

This PhD research into the renewal of substandard housing in Britain and China is based on studies in Leicester and Shanghai. The central focus of the research is to explore the hypothesis that British housing renewal experiences are partially transferable to the situation in Shanghai, China.

In Britain, housing renewal based upon a neighbourhood approach was first advocated by policy analysts in the 1960s. This research is therefore to identify long-term trends and factors responsible for successful implementation. The thesis begins with a review of the theoretical and conceptual basis of housing renewal, followed by an overview of British housing policy developments since 1945 and an account of the current policy framework. A detailed case study is presented of housing renewal in Leicester, one of the leading local authorities in this field,

including a detailed study of an inner city neighbourhood. Over the past 20 years, the successful practices of housing and neighbourhood renewal in Leicester are owing to many aspects, such as the comprehensive renewal strategy by the renewal team from the Leicester City Council, the vitality of local neighbourhoods, the relatively high quality of the city's old housing stock, the high up-take of grants by Asian owner occupiers, and the relative strength of the inner city economy. This leads to conclusions on the impact and effectiveness of British policy which will help to provide a basis for the review of Chinese housing renewal.

Housing renewal is one of the main goals of a major housing policy initiative in Shanghai. The city's older housing stock dates mainly from the 1850s and 1930s and was largely built to good constructional standards, although sanitation and sewerage are very poor by western norms. It has subsequently become severely overcrowded and repairs and maintenance have been badly neglected. The stock is currently controlled by state agencies and work units but, in line with general policy trends in China, the city is aiming to encourage private ownership and the development of a commercial housing market. In political terms and social terms, the urban neighbourhood is a highly significant unit in China and an appropriate basis for renewal policy.

Apart from analysis of general economic and housing condition in China, the thesis also includes a detailed case study carried out by author. The survey includes external, internal housing condition surveys and a social survey in an inner city area of Shanghai with a survey technique largely based upon the British practice. The results of the survey indicate both the urgent need and the potential for housing renewal. The prospects for housing renewal are considered in the context of the emerging market economy.

The conclusion of this research is to suggest appropriate objectives of housing renewal in Shanghai in the context of the particular housing, and the economic and social conditions. A comprehensive housing renewal strategy and renewal models are also recommended taking into account social, technical and economic factors. Guidelines are then suggested for the implementation of housing renewal, in terms of policies and strategies, and technical and design considerations.

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Fei Wei

Department of Architecture

De Montfort University

Leicester LE1 9BH, England

June 1995

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Part One: Introduction

China's Wild-West style market-led economic reform has been taking place for more than 14 years and it has already had a substantial impact on the housing programme. Formerly part of a cradle-to-grave welfare system, housing is undergoing radical market reform and privatisation.

Shanghai, one of China's largest industrial cities, provides nearly 15% of the country's total GDP. But its urban area is currently facing many problems, including a serious housing shortage, rapid deterioration of the older housing stock, over-crowding, environmental pollution, and inadequate infrastructure. Housing conditions in the inner city area of Shanghai in particular are among the worst in China, in marked contrast to the city's economic success.

This PhD study is based on the author's research on housing renewal in Britain and China, particularly on the basis of detailed local studies in Leicester and Shanghai. Neighbourhood level renewal, particularly the renewal of older housing, has a continuous history of some 40 years in postwar Britain. By contrast, Chinese cities have only recently given any serious attention to the renewal of older neighbourhoods for continued residential use. The research is intended to contribute to the development of urban renewal policies and practices in China, based on a critical analysis of British experience.

There are some similarities, and very many differences, between the problems of older neighbourhoods in the two countries. In Britain, the average condition of the older housing stock is relatively good, occupancy levels are low, and owner occupation is high. By contrast, in China urban housing is predominantly state or factory owned, much of the older stock is in very poor condition, and there is extensive multi-occupation and overcrowding. However, China is now encouraging owner occupation in cities and introducing a housing market. New housing construction is helping to relieve overcrowding, combined with continuing restrictions on migration from the countryside. In Shanghai, the main part of the older housing stock is in the

former European concession areas and much of this housing has good potential for renewal and a useful future life. These trends give good grounds for examining British urban renewal experience for its relevance to emerging conditions in Shanghai (Brindley & Wei, 1994).

1.1 Context: Housing Problems in Shanghai, China, and Their Prospects

One of the biggest issues facing policy makers in China is what to do about one of the country's cradle-to-grave social welfares systems, the housing programme. As China travels further down the road towards economic reform, this system is looking not only too costly but also a positive inhibition to the reform of the economy. Since the launch of the 'Open Door' policy in 1979, the Chinese government began to lift the tight controls over urbanisation, and cities and towns in China began to grow at rates that far exceeded the overall annual population growth of 1%, reaching 3-5% per annum. At the same time, the central government also undertook a radical decentralisation of authority over savings and investment decisions, and devolved power to control urban development to local authorities, business enterprises and households. As a result, during the last decade, up to 8% of China's GNP and 30% of Gross Capital Formation was devoted to housing (Holberton, 1992). The production of housing in China is about 150 million m^2 each year (or roughly 3 million flats annually), and the average amount of space available per capita in cities almost doubled between 1978 and 1990 (Holberton, 1992). However, new housing construction and urban redevelopment in several major cities has taken the form of 12-14 storey high-rise blocks. As most Chinese people equate high buildings with modernisation and progress, the more and the higher the better. The result often seen is that in the context of the essentially horizontal character of the Chinese city, the urban neighbourhood has been seriously marred and much of the traditional courtyard housing has been swept away in the process of urban development and expansion.

Shanghai is China's biggest industrial city. Living conditions in Shanghai have improved a lot since the start of the 'Open Door' policy. By 1992, the average living space per person had increased from 4.4 m^2 to 6.6 m^2, but there were still 300,000 households living at below 4 m^2 per person. In the inner city area only 54.2% of households have an adequate gas supply, while

others have to use outdated coal-fired cooking pots which are a major source of environmental pollution. Only 40% of flats are self-contained, with 60% of households having to share very basic amenities (Shanghai Housing Administration Bureau, 1992).

Shanghai's housing problems can be identified in both old and new dwellings. The older houses in Shanghai, especially 'old Lirong housing' and 'new Lirong housing', are similar to British-style terraced houses constructed in the late 19th and early 20th centuries. At present, the old housing stock represents 35.41 million m^2, accounting for almost 40% of the total stock in Shanghai, and these dwellings accommodate nearly 45% of the city's households (Shanghai Housing Administration Bureau, 1992). These old houses are frequently lacking in basic amenities, overcrowded and in a state of disrepair. With regard to the social aspects of these old houses, most of them are an integral part of the great Shanghai urban tradition and still represent the most popular form of housing. They are flexible in the use of indoor and outdoor spaces and foster social interaction and a sense of family amongst residents within a clearly defined territory. Apart from the problems of old housing, many new houses constructed after the 1950s are also very badly maintained. They mainly take the form of five to six storey blocks and are built of concrete. Some of them are self-contained flats, especially those built after 1980. The problems in these new houses and flats are mainly lack of adequate maintenance, shortened theoretical life span and increasing costs of housing repair.

Rehabilitation of the deteriorated old housing stock has recently been recognised as an urgent task by the Shanghai Municipal Government. But in most cases, where action has been taken, rather than rehabilitate them the authorities have demolished them completely to make room for redevelopment. Like most of China's policies, housing and urban renewal policies are always associated with, and motivated by, financial and commercial interests. As an inevitable consequence, many of the inner areas of Shanghai are now undergoing dramatic change, many existing neighbourhoods and communities have been destroyed and thousands of residents have been relocated, some of them unwillingly, to suburban areas of Shanghai. In these suburbs

physical living conditions have been improved but social conditions are much worse as the provision of community services, education, health care, shopping, etc. are utterly inadequate (Wei & Brindley, 1995).

Since 1990, new urban housing reform and renewal policies in Shanghai have been launched under the major influence of commercialisation which is driven by the so-called 'socialist market economy'. In other words, the trends are to encourage private ownership and the development of a commercial housing market. The proposed target is very promising: by the year 2000, it is intended that each household in Shanghai will live in a self-contained flat with and average of 10 m^2 per person (Shanghai Municipal Government, 1991). But the full impact of this new policy is very likely to have implications and consequences which will lead to an unprecedented political and economic polarisation.

1.2 Aims and Objectives of the PhD Research

This PhD research on **The Renewal of Substandard Housing: the Application of British Experience to China** is based on a study of relevant British housing renewal approaches with a view to develop methods to tackle the equivalent problems in Shanghai, which at present is facing a severe housing shortage and serious deterioration of the older stock.

The central focus of the research is to explore the hypothesis that British neighbourhood-based housing renewal experiences are partially transferable to the situation in Shanghai, China.

1.2.1 The Aims and Objectives of the Study:

The **aims** of this research are:

(i) to identify the factors affecting successful housing renewal in Britain over the past 25 years;

(ii) to examine the hypothesis that aspects of successful British policy and practice in housing renewal are partially transferable to Shanghai; and

(iii) to make proposals for comprehensive renewal strategies, housing renewal models, and strategic and technical guidelines for the implementation of housing renewal in Shanghai.

In line with the aims outlined above, the **objectives** of the research are:

(i) to evaluate recent housing renewal practices and theories in Britain;

(ii) to examine critically China's housing problems and housing renewal policies, by taking into account its current economic and housing reform policies and their implications;

(iii) to develop a methodology for assessing and analysing the need for housing renewal in Shanghai;

(iv) to carry out a small-scale, detailed study of housing conditions in an older neighbourhood

of Shanghai;

(v) to explore how far and in what ways British housing renewal policies and practices can be applied to the local area studies, and generally in Shanghai;

(vi) to identify appropriate policies for housing renewal in Shanghai, with special emphasis on the impact of housing privatisation and the newly developed housing market; and

(v) to recommend the basis for a new approach and new policy measures for housing renewal in Shanghai.

1.2.2 The Original Contributions and Expected Outcomes of the Research:

This PhD research intends to make **an original contribution** in the following fields:

(i) to study in detail the local housing conditions and the need and potential for housing renewal in an older neighbourhood in Shanghai;

(ii) to assess the transferability of British neighbourhood-based housing renewal policies and practices to Shanghai;

(ii) to evaluate and test those transferable experiences and techniques to possible housing renewal work in Shanghai; and

(iii) to make proposals for a sustainable renewal policy for substandard housing in Shanghai, which could become a reference for similar work in the rest of China.

The major conclusions of the PhD research will be proposals for a housing renewal strategy, housing renewal models, and guidelines for implementation of improvement work in Shanghai.

1.3 Methodology and Planning of the Research

1.3.1 The Methodology for the Study

The method adopted for this research is the development and testing of an hypothesis, using a social scientific approach. The hypothesis is tested against both published data and new evidence from a detailed, small-scale survey carried out by the author.

The hypothesis of this PhD research as stated in 1.2 above, is that 'British housing renewal experiences and practices are partially transferable to the situation in Shanghai, China'. The research intends to make a new contribution to the knowledge of housing renewal in Shanghai, based upon the transferable British neighbourhood-based housing renewal methods, policies and practices.

The research has not adopted a strictly comparative method owing to two major factors:

(i) the differences in the social, economic, and political systems of the two countries are too great to make a specific comparison; and

(ii) the lack of development of housing renewal in China means there is little with which to compare British policy.

Instead, the research has focused on the transferability of UK experiences to China, dealing with issues of principle and theory.

Two case studies will examine housing renewal policy and implementation in the two cities. The first case study, in Leicester, is designed to find out why housing renewal in Leicester has been relatively successful, how it has been carried out, what impact the various governmental housing policies have had, and the methods and techniques adopted for implementation of housing renewal. The Leicester case study is largely based upon existing published and unpublished documentary sources, together with interviews with those actively involved in the renewal

programme. The second case study, in Shanghai, is designed to assess the transferability of the British housing renewal practices to possible future housing renewal work in Shanghai. The case study in Shanghai is largely based on personal field work, including a housing physical condition survey and a social survey, using survey techniques and evaluation methods based on UK practice. The single-handed case study in Shanghai, the data gathered through the field work, and the analysis and findings of the study form one of the main original contributions to knowledge of housing renewal in Shanghai.

The ultimate challenge of this research is the problem of transferring experience between two very different countries and cities. There are marked differences in living standards, the nature of housing needs and problems, and the wider social and economic context. However, some common ground can also be identified, particularly as China has been adopting market-led economic reform for nearly 15 years, and living standards in Shanghai have been improved. Shanghai is now in a period of rapid expansion, old housing renewal and urban development issues are higher on the government agenda. Hence the experience of housing renewal from developed countries such as Britain will be valuable and relevant to Shanghai. The outcome of this research is therefore designed to fill important gaps in knowledge of housing renewal in Shanghai and learn the lessons about how Britain has dealt with similar situations, and about the background and effects of alternative strategies for solving common problems. The research intends to identify the degree of transferability of British housing renewal experience, and the factors which limit this.

Leicester was chosen for detailed study as it is a leading example in the housing renewal field and it has already carried out renewal work for over 20 years. The persistent effort by Leicester City's Renewal Strategy Team and the high up-take of grants, particularly by Asian owner occupiers, has helped to make the city successful in housing renewal programmes. Other significant factors are the relatively good quality of the city's old housing stock, and the relative strength of the inner city economy, compared with other British cities. Recent legislation on housing renewal has

increased the emphasis on the neighbourhood level, with the introduction of Neighbourhood Renewal Assessment (NRA). As the NRA approach is close to Leicester's established practice, it stands out as a 'policy model' for British housing renewal practice.

Shanghai was chosen as a case study because it is the largest industrial city in China with over 12 million population, with over half of the population living in the inner city area. Shanghai has been a front runner in China's economic reform for more than 15 years, and it also represents all the housing problems currently in the country. It has relatively more previous research and statistical data than other cities, and a recent housing reform initiative has been introduced by the Shanghai Municipal Government, which is also willing to apply the experience of other countries, especially developed countries, in order to find its own solutions. The older housing in Shanghai, known as 'Lirong Housing', which was built between the 1850s and the 1930s in the former concessions, is similar to terraced housing in the UK. Currently Shanghai is one of the major Special Economic Zones in China, and the city is experiencing rapid expansion and redevelopment. Some of the old housing in the inner city area has been cleared to make room for development, and more is facing the same fate which will inevitably cause serious consequences both in social and economic terms.

Part Two: Housing and Neighbourhood Renewal Policies in Britain 1945-95

In Part Two, British housing renewal policy is studied to identify long-term trends and factors responsible for successful implementation. This begins with a review of the theoretical and conceptual basis of housing renewal, followed by an overview of policy developments since 1945 and an account of the current policy framework. A detailed case study is presented of housing renewal in Leicester, one of the leading local authorities in this field, including a detailed study of an inner city neighbourhood. This leads to conclusions on the impact and effectiveness of British policy which will help to provide a basis for the review of Chinese housing renewal in Part Three.

2.1 Theories and Concepts of Housing Renewal

Housing and urban renewal in the UK and in other developed countries have been based on a number of theories. These theories can be classified into the following broad types: social, economic, urban design, and technical theories. Together they have influenced the general shape and direction of policy, and provided a framework for debate. It is helpful, therefore, to begin with a review of theories and concepts, before looking at the development of British renewal policies in more detail.

2.1.1 Social Theories

(1) Housing and Social Inequality

Housing inequality is not merely a residual phenomenon, it is indicative of a more general housing problem, it is an integral part of the social structure in Britain. There are clear relationships between the experience of housing inequality and the social divisions of class, race and gender. Three aspects are widely considered when measuring housing inequality, they are access to the housing market, the physical characteristics of the home, and status with respect to financial services (Morris & Winn, 1990). The issues of access to housing are concerned with how far someone is able to get the housing they need, and once they have it, to be secure in their occupancy, with security of tenure and opportunities for mobility. The physical characteristics of the home which are an important dimension of advantage and disadvantage are the size of house, the number of bedrooms, the location, the amenities and heating system, the state of housing condition, and other factors. The opportunities with respect to financial services are the buyers' status of credit, and the access to capital that determines the result of their housing situation. Clearly there are also relationships between housing inequality and housing renewal policy.

Housing and urban renewal involve changes of housing and urban fabric, either improvement, or renovation if the existing housing condition is reasonable, or redevelopment if the condition is below the minimum standard and beyond repair. Housing renewal policy has changed significantly from the 1960s when most demolition and redevelopment were carried out by the

public sector, to the 1980s when both public and private sectors were encouraged to take part in renewal work, and a strategy of 'privatisation' of housing renewal was initiated by the Conservative Government in the late 1980s (Brindley & Stoker, 1988). Two main parts can be identified in this strategy, one is the increased home-owners' responsibility and two is more private sector involvement.

Home owners are required to increase their responsibility for their housing standards, and to take more responsibility for the repair and maintenance of their property. The 1985 Green Paper on improvement grants stated that, 'Home-ownership offers opportunities for individuals to alter and improve their homes as they wish; they must also carry the primary responsibility for keeping their property in good repair.' (DoE, 1985, para. 1) This strategy was confirmed in the 1989 Local Government and Housing Act (LGHA) which amended the improvement grant to a new 'means test' system and expected home-owners to carry more of the costs of improvement work. The correlation between poor housing conditions and low income owners may result in this strategy having the same fate as General Improvement Areas (GIAs) where a substantial amount of money went to households who could have afforded to do the improvement work anyway. Many improvement grants within GIAs resulted in the area being gentrified, and the replacement of low-income households with middle-income families. Under the LGHA 1989, many low-income households will continue to find it difficult to raise sufficient money to carry out improvement, compounded by the fact that the value of their property is too low. The 1991 English House Condition Survey again reinforced the argument that low income and poor housing condition will still be a key feature of the housing system (DoE, 1993a).

The private sector, including building societies, property developers and house builders, has been also encouraged to take part in housing renewal work. Under LGHA 1989, many private sector corporate bodies are seen as having a role in the renewal of the public housing stock through the partnership deal with local authorities or through the wholesale selling off of some of the local authority housing stock. Many initiatives involving the private sector have in fact been

backed by public subsidy so as to keep a sufficient profit margin. Examples include Urban Development Grants which encouraged private investment by the use of public subsidy on redevelopment projects, and the Estate Action programme, which redistributed money through the Housing Investment Programme to provide subsidy to private developers carrying out rehabilitation work on council estates. Even so, the role of private developers is still very limited as low-income families living in the areas of greatest housing disadvantage cannot support a high enough return for the private companies. As far as the role of building societies is concerned, although many local authorities have persuaded them to drop their former 'Red Lining' policies and provide mortgages in certain disadvantaged areas, and to provide new and improved houses for sale and to rent in the inner city, most of them are still reluctant to lend for either purchasing or improvement due to the ceiling on the prices which low-income households can afford, and the values of the houses which are lower than the regional average. Again the lack of commercial interests of building societies in the most disadvantaged areas have discriminated against both the dwellings and the owners which are actually in most need of assistance with housing renewal (Brindley & Stoker, 1988).

'We have to grapple with the problem of managing urban decay in a way which minimises inequality or face the consequences of deepening social division.' (Gibson & Langstaff, 1984, p. 179) Housing renewal policy has in a certain degree exacerbated housing inequality since the 1980s, the privatisation of housing renewal has widened the gap between those who have financial resources and those who have not, the policy also has less efficiency in tackling the decaying housing stock in the inner city area and in providing affordable housing for those on low-incomes. Hence housing renewal policy should consider the issues of housing inequality, particularly the financial mechanism and the grant system.

(2) Inner City Communities and Neighbourhood

There are many definitions and explanations of the 'community', but three concepts have been widely used, they are community as a 'geographical expression...as a fixed and bounded locality',

'community as a local social system... as a set of social relationships which take place wholly, or mostly, within a locality', and 'community as a type of relationship, more particularly community is defined as a sense of identity between individuals.' (Newby & Lee,1983, p. 57) Communities in the inner areas of cities show all of these characteristics to a greater or lesser extent.

Housing and urban renewal will inevitably involve the changes of building and urban occupancy or sometimes even altering the land use, therefore the results will affect local people's living conditions and their life, the existing community will be changed. Within cities many residential areas contain socially cohesive groups of people or communities. The nature and behaviour of these groups are different between inner city working-class communities and the suburban middle-class ones. It was found in the 1950s that the inherent stability of many inner city working class areas led to the establishment of kinship ties within local areas and the formation of long-term friendships with peers (Young & Wilmott, 1957). The suburban middle classes are more transient and rely more on shorter term local friendships, but they have the necessity and the means to retain long-term kinship and peer group relationship across great spatial distance (Gans, 1967). Although the situation has changed, as many inner city areas have been reconditioned and some middle-class families now live in the city, such areas are still predominantly working-class neighbourhoods where the local community remains significant.

Hence housing and urban renewal within inner city areas have more impact on working-class groups and communities, both socially and psychologically. In many cities old-established working-class communities have been bulldozed aside and their former inhabitants decanted into new housing estates and high-rise flats which have drawn frequent accusations of being soulless and lacking any of the community spirit. The suburban middle-class, however, are less affected by housing and urban renewal and are more capable to cope with the enforced changes due to their more limited local dependence, their greater affluence and social skills. Apart from the fact of existence of close-knit communities in the inner city areas, other common problems faced by working class communities are high density of occupancy, poor quality of housing, lack of

amenities and social conflict in the neighbourhood. Virtually all age groups are affected by the impact on communities and neighbourhood due to housing and urban renewal.

For the residents who are moved out, they will face the consequences of rising costs of housing as well as journey to work. Knox pointed out that, ' It is clear that resettling working-class families in suburban estates does result in some disruption of primary social ties with the result that, for a time at least, social cohesion is reduced... An important contributory factor in this respect is the aloofness generated by status uncertainty as the result of movement to a new and socially unknown environment...' (Knox, 1982, p. 47) In the circumstance of a forced move, for children, for working adults and for elderly persons, all of them face great social, economic and psychological pressures. For the people who are allowed to stay in the area, they are likely to pay significantly higher costs for new housing, although they may benefit from no change in surroundings or mobility. Neither home owners nor tenants are free from financial costs, inconvenience or personal stress.

All the facts and arguments are leading to a sound conclusion, the justification of housing renewal policy moving away from massive slum clearance and redevelopment schemes in 1960s to a gradual improvement strategy from early 1970s. It is very important for housing renewal policy to seek to avoid forced dispersal and relocation of inner city population.

2.1.2 Economic Theories

When comprehensive redevelopment gave way to gradual renewal, it was marked by a proliferation of new renewal concepts, including General Improvement Areas (GIAs), Housing Action Areas (HAAs) and the latest initiative, Renewal Areas (RAs) under the LGHA 1989.
The problem of how to choose a renewal option or options became critical as there was a growing number of planning enquiries arising from objections to clearance, sometimes houses earmarked for improvement ended up almost as rebuilds, whilst houses earmarked for clearance were claimed as 'perfectly good' homes by squatters. All of this suggested that there was a need for

arriving at a method or methods for the assessment and selection of renewal options. Six basic renewal options have been identified which may be pursued singly or in combination. They are: redevelopment; selective clearance; infill development; improvement and conversion; maintenance and repair; and doing nothing.

(1) Investment Appraisal Techniques

The first appraisal method was introduced in Circular 65/69 by the Ministry of Housing and Local Government (MoHLG, 1969b). The highlight of this method is an interaction between the cost of improvement and the quality of the house and its environment after improvement. The basic reasoning here is: that money spent now on improvement is cheaper than more money spent on redevelopment; and that it is better to defer that expenditure as far into the future as possible.

This can be expressed mathematically and can be set out in tabular form which take into account what is worth spending now on improvement compared to the cost of redevelopment 15, 20, 30, 40 years later. It also considers the quality of the house because if the quality of the improved house is different to that of the proposed new dwelling then the worthwhile expenditure on improvement will have to be adjusted to reflect this. The Circular set the rate of interest at 10% as a scale or framework to measure the various factors.

This method established a relationship between the economics of renewal and the design process involved to evaluate the quality of improvement work. But this method does not take into account the cost of housing loss either by displacement or by virtue of the time differential between one option and another.

(2) Assessment of Improvement Potential and Environment Quality

The second appraisal method was developed in the context of a joint Department of the Environment (DoE) and London Borough of Southwark project and was published in a report, 'Organising Improvement in East Dulwich', in 1973 (DoE, 1973a). The method considers four

basic aspects:

(i) identify the main house types in the area;

(ii) design a range of likely affordable improvements and conversions if required; these are aiming at making the best of the houses, enhancing their natural advantages and correcting their inherent defects;

(iii) abstract the inherent qualities which should become evident during the design stage; these form the basis of a quality evaluation table. It is more important to evaluate the improvement potential than the existing condition; and

(iv) assign values to the abstracted qualities in order to establish a position in the table of economic expenditure.

The quality factors include space standards compared to Parker Morris standards; internal room layouts and room relationships; front garden depth affecting off-street parking, privacy, and noise intrusion; rear garden size; entrance arrangement; and garden access and privacy. After the assessment of social condition, physical condition, and priority, it gave each condition three scores: good, medium and poor, good social and physical condition having low priority, poor social and physical condition having high priority.

This method provided a reasonably quick and simple way for assessing the problems and proposing solutions to them. It is dependent on limited data which are readily available such as the Census, council records, etc., and is not dependent on long complicated survey techniques. This methodology also provides a useful channel for communication and discussion with different local groups.

(3) Cost Benefit Analysis

The third method was introduced in 1978 by the Department of the Environment. It issued an advice note on the evaluation of housing renewal options, 'The Economic Assessment of Housing Renewal Schemes' (DoE, 1978b). The method requires the use of discounting

techniques, collecting a large amount of data, forecasting future development in the housing market, etc. This method has been used up to and including the Neighbourhood Renewal Assessment (NRA) under the LGHA 1989.

The cost-benefit method of appraisal is based on two general propositions. The first is that, before expenditure decisions are made, alternative expenditure options should be considered. The second is that the criteria for choosing between these options should be to choose the options for which the difference between benefit and the cost is greatest. It may be applied to housing renewal projects in areas ranging in size from small groups of houses to several hundred dwellings. The method itself presents a framework of appraisal which focuses on the precision of the economic calculations with the wider perspective of the qualitative approach. The method has three distinctive features on the economic appraisal aspect: emphasis is placed on framing a range of feasible options; the measure of benefits is independent of capital costs; and the timing of costs and benefits is taken into account by the use of discounting. The outcomes of this economic analysis are combined with a systematic qualitative assessment of unquantified costs and benefits.

The application of these appraisal to housing renewal schemes involves the following process: defining the boundaries of the area for consideration; drawing up a number of alternative feasible ways of tackling the problems found in the renewal area; identifying the nature and timing of costs and benefits attached to each of the options drawn up; and assessing these benefits and costs to see which option provides the greatest net benefit.

On the benefit side, some are tangible such as improvement of housing physical conditions, and higher market value resulting from higher quality; and some of the benefits are intangible such as improvement of residents' health due to better housing conditions, greater enjoyment of the improved area by the residents and other users, etc. Hence it contains the following categories: housing benefits, which include those measurable in money and those not measurable in money

(intangible); and non-housing benefits, which also include those measurable and non-measurable in money. On the cost side of housing renewal schemes, the same distinction prevails between tangible and intangible items such as the building costs which are tangible and disruption of local communities and neighbourhoods due to renewal which are intangible.

The cost benefit exercise then has to 'take each option in turn and to fill up various categories of benefit and of cost, with money measures whenever possible, and with any other measures or with qualitative assessment in the absence of an appropriate cash measure. Inside each category the benefits (or costs) are explicitly dated for the date when they are expected to arise.' (DoE, 1978b, p. 5) The sum of discounted costs is taken from the sum of discounted benefits, to arrive at the net benefit in quantified monetary terms, the 'net present value' of the option.

The advantages of this cost benefit appraisal are firstly, it requires a systematic treatment of the evaluation problems, and secondly it introduces an explicit measure of the benefit of housing investment. The difficulties it contains are the calculations of the value for each category, the collection of the relevant data, and choice of making sensible assumptions for each of the options they evaluate.

It has normally been the case that, whichever of the above economic appraisals is employed, improvement options appear to give better value than redevelopment options.

2.1.3 Urban Design Theories

Urban design is a process associated with responding to the issues of housing and urban renewal. These involve changes of urban physical fabric which can make the city function better or worse and the city's aesthetic aspect that can make the city look better or worse. In building and rebuilding the city, the process of urban design has always been implied, sometimes consciously and comprehensively but sometimes unconsciously and piecemeal. '... the functional and aesthetic results of this organic process have justified few design criticisms until these places

have been overwhelmed by a sudden acceleration in the rate of urbanisation or the intrusion of non-local materials, building methods or investors without local awareness or sympathy.' (Couch, 1990, p. 115)

Urban design has developed several key ideas and methods for designing urban areas in modern circumstances since the late 1950s, and these approaches and ideas are examined here so as to derive some appropriate content and processes of urban design suitable for housing and urban renewal.

(1) The image of the City

The Image of the City was written by the American Kevin Lynch who argued that users of the city perceived it as a physical entity with five key elements: paths, edges, districts, nodes and landmarks (Lynch, 1959). 'Paths are the channels along which the observer moves... for many people these are the predominant elements of their image.' (Lynch, 1959, p. 47) The paths chosen by various observers are different and largely depend on the route and mode of transport. For each person as he travels on various routes or by different means of transport will experience unique urban views. 'Edges are the linear elements not used or considered as paths by the observer. They are the boundaries between two phases, linear breaks in continuity: shores, railroad cuts, edges of development, walls.' (Lynch, 1959, p. 47) Although the edges are not as dominant as the paths, they are still equally important in helping people to recognise, define and orientate in an area. 'Districts are medium to large sections of the city, conceived of as having two-dimensional extent, which the observer mentally enters "inside of", and which are recognisable from the inside, they are also used for exterior reference if visible from the outside.' (Lynch, 1959, p. 47) Districts represent a proportion, a section of the urban area with their distinctive features. It is quite easy for people to tell the physical difference between the districts of Kensington, the City of London and Whitehall. 'Nodes are points, the strategic spots in a city into which an observer can enter, and which are the intensive foci to and from which he is travelling.' (Lynch, 1959, p. 47) 'Landmarks are another type of point-reference but in this case the observer does not enter within

them, they are external... Their use involves singling out one element from a host of possibilities.' (Lynch, 1959, p. 48) The landmark represents historical importance or interesting spots or objects in an area, such as the Eiffel Tower in Paris famous for its engineering achievement and its sheer volume and shape. Landmarks need not be very high, such as the St Paul's Cathedral in London, and sometimes the landmark is even smaller and can only be seen a couple of yards away such as a statue or monument that plays an important role as a city's reference of physical surroundings.

Housing and urban renewal involve changes in a city's physical surroundings, altering the existing paths, edges, districts, nodes and landmarks. Because of such changes and the removal of some of these physical elements, it often happens that many people find it difficult to relate to the new surroundings. Their previous images of the physical structure of the city, their understanding and enjoyment of the city, have been lost and they are likely to develop an alienated attitude towards the new changes. Hence it is vital in the process of housing and urban renewal to ' ... increase the legibility of the city by clarifying pathways, emphasising landmarks and maintaining edges (which) will increase people's understanding, appreciation and enjoyment of the city as a physical entity.' (Couch, 1990, p. 117)

(2) The Conservation Movement from the late 1960s and Attitudes towards the Historic Urban Environment

In Britain, the 1960s was a era in which massive slum clearance, town centre redevelopment and the influence of the Modern Movement in architecture were dominant, and it was also the period of the establishment of the conservation movement. Three books deserve mention here for their distinctive contributions to the theories and concepts of conservation.

In his book Townscape, Gordon Cullen introduced three concepts: 'serial vision', 'place' and 'content of places', which he thought were important ways of stimulating our visual reaction to the city environment (Cullen, 1961). 'The significance of all this is that although the pedestrian walks

through the town at a uniform speed, the scenery of towns is often revealed in a series of jerks or revelations. This we call serial vision.' (Cullen, 1961, p. 9) Cullen's second concept is that of 'place' which is concerned with 'our reaction to the position of our body in its environment. It means, for instance, that when you go into a room you utter to yourself the unspoken words, "I am outside it, I am entering it, I am in the middle of it".' (Cullen, 1961, p. 9) This can also apply to the street or square in an urban area, a definite feeling of being outside, entering and leaving. With regard to the 'content of places', Cullen thought it was related to the fabric of towns and cities, colour, texture, scale, style, character, personality and uniqueness. Most towns are a jumble of building types, styles and ages so it is the variety of the historic organic city that gives visual charm and attraction. This variety evolved within an overall unifying set of rules or criteria which provide the framework of organic growth with an unspoken 'agreement to differ within a recognised tolerance of behaviour'. 'Thus we have motion, position and content: or put it another way: serial vision, here and there, this and that... all that remains is to join them together into a new pattern created by the warmth and power and vitality of human imagination so that we build the home of man.' (Cullen, 1961, p. 12)

The second book to be mentioned here is called Town and Townscape written by Sharp in 1968. He highlights the motor vehicle and changing land use demands as major social forces in urban design. 'Never before have there been so many different influences for change operating so strongly upon towns at the same time. And never before has the tempo of possible change been so swift... The influences for change are partly social, partly mere fashion.' (Sharp,1968, p. 1)

In criticising Modern Movement architecture, he also argues against 'fashion in street buildings that either lack street perspective or are hopelessly at odds with well established building rhythms...In these new buildings all previous acceptance of something like a collective discipline has been rejected. It has been rejected through an architectural arrogance in which the general character of the town or street is considered of no importance compared with the intoxication of self-assertion and self-advertisement.' (Sharp,1968, p. 3) He emphasises a concern that new

building within existing towns and cities should accept and be designed within the discipline imposed by the existing urban fabric both in terms of the scale and character of existing buildings and the rhythms and perspectives of existing streets and spaces. This argument has been broadly accepted and still retains its validity today.

In 1969, Worskett, a former advisor to the Ministry of Housing and Local Government, wrote a book called The Character of Towns in which he suggested that conservation policy ought to take account of townscape quality in addition to mere building conservation. Worskett saw that conservation policy should include two sets of concerns. Beginning with a visual and historical survey of the area concerned, work should proceed on the one hand to identify historic buildings and archeological features and to establish aims or principles governing their preservation; and on the other hand there needs to be an assessment of townspace qualities and a visual discipline established for the design of changes to the physical environment. He then sub-divided the development of a visual discipline for conservation design in to four parts. (i) town-landscape relationship: the appearance of the town as seen from the countryside and the importance of maintaining urban boundaries; (ii) high building policy: both the maintenance of skylines and focal points and the exploitation of opportunities to enhance skylines by adding new focal points; (iii) townscape discipline: both the maintenance of those qualities of space and layout that create a local discipline and the exploitation of opportunities to enhance a scene through new building, renovation, landscaping, etc.; and (iv) design of infilling: the architectural effects of new buildings inserted into existing streets. Apart from these, he also pointed out that some simple measures can be deployed to achieve great effects, the measures including tidying up of areas by the removal of unnecessary street signs, replacement of unsuitable street furniture, renovation of pavements and floorscape and improvements to existing building facades (Worskett, 1969). Worskett also stressed the importance of public relations and consultation in the conservation process.

The fundamental principles from these three books suggest that any attempt to carry out housing

and urban renewal schemes should respect the existing urban fabric and surroundings, preserve the architectural and environmental quality, and maintain the aesthetic value of the urban scene.

(3) Legislation

The Department of the Environment and a number of local authorities have issued many good design guidelines in an effort to improve the quality of building and townscape design since the early 1970s. Among these one of the earliest was the A Design Guide for Residential Areas by Essex County Council with a foreword written by the Secretary of State. The Guide is mainly concerned with the design of residential areas, and it has implications for local planning control. 'By setting out a clearly related structure of planning and design policies, it is hoped that better housing schemes and a great consistency in the granting of planning permissions will result.' (Essex County Council, 1973, p. 19) The Essex Design Guide introduced two criteria: physical and visual. The physical criteria laid out details about minimum space standards in line with Parker Morris standards, the public zone and the private zone, pedestrian foot paths and vehicle movement control; the visual criteria concerned urban space and the architectural quality of building design.

In the early 1970s, the Department of the Environment also published a number of 'Area Improvement Notes', one of the notes particularly dealt with environmental design (DoE, 1972). That note described the environmental problems faced in many typical improvement areas and discussed the solutions adopted by local authorities. It paid special attention to traffic management, garaging and parking, pedestrian areas, children's play, appearance and new infill building. The discussion focussed upon the design aspects of environmental improvement and the note concluded with no 'rule of thumb' but a recognition of the complications. The common issues introduced and considered for environmental design are: the diversion of through traffic out of the area; the accommodation of essential non-residential traffic; residents' access and car parking; possible pedestrianisation; the provision of pathways, play grounds, bus stops, schools, and shops.

Today's housing renewal and urban design theories have been implemented since the 1960s. They differ from the Modern Movement-inspired approach which disregarded the history and continuity of local communities, and promoted the massive reconstruction of towns and urban centres. The essence of current theory is a recognition of human scale in design, respect for the existing physical environment, local style and materials; the importance of the continuity of communities, the need for retention of local landmarks and consultation with local people. This theory therefore provides the foundation for the gradual renewal of urban neighbourhoods.

Urban design theory suggests that housing and urban renewal programmes should take into account the aspect of environmental quality, and measures to enhance and retain its value.

2.1.4 Technical Theories

(1) Indicators of Condition

Three aspects are normally taken into account when housing physical condition is surveyed, they are housing fitness standard, the state of the building's fabric and the provision of amenities.

(i) Fitness Standard

The fitness standard mainly provides 'the means for determining whether content and premises are fit for human habitation.' (DoE, 1993a, p. 59) The latest fitness standard in Britain was introduced in the Local Government and Housing Act 1989, it stated that: 'A dwelling-house is fit for human habitation unless in the opinion of the local housing authority it fails to meet one or more of the requirements below and by reason of that failure is not reasonably suitable for occupation.' (DoE, 1993a, p. 59) The requirements of the standard are as follows:

- it is free from serious disrepair
- it is structurally stable
- it is free from dampness prejudicial to the health of the occupants
- it has adequate provision for lighting, heating and ventilation
- it has an adequate piped supply of wholesome water

- it has an effective system for the draining of foul, waste and surface water
- it has suitably located WC for exclusive use of the occupants
- it has for the exclusive use of the occupants a suitably located bath or shower and wash-hand basin, each of which is provided with a satisfactory supply of hot and cold water
- there are satisfactory facilities for the preparation and cooking of food including a sink with a satisfactory supply of hot and cold water

(DoE, 1993a, p. 59)

In general terms, the fitness standard considers fabric condition, structural stability, internal arrangement, lighting, heating, ventilation, bathroom and toilet. The most common reasons for unfitness are: failure to carry out necessary repair, bath or shower provision, food preparation, dampness, and toilet provision.

(ii) Repair

One of the measures of the condition of the building fabric is the estimated cost of putting the building into good repair. This method allows the condition of the building as a whole to be assessed, and the contributions to condition from the individual building elements to be identified. There are three types of repair which are 'general repair', 'urgent repair' and 'comprehensive repair' depending on the objectives of those responsible for the buildings (DoE, 1993a).

- general repair is dealing with the work identified by surveyors, it includes repairs to the fabric as well as services and amenities

- urgent repair is urgent action on the items regarded by surveyors as threats to the health, safety, security and comfort of the occupants

- comprehensive repair is a programme of repair which includes all repairs and replacement, covering both urgent and general repair

Repair includes three aspects: internal, external and structural. The internal aspects include ceilings, walls, floors, doors, amenities and services; the external aspects include chimneys, roofs, walls, windows, doors, and damp proof course.

(iii) Facilities and Services

The provision of facilities and services is an important aspect when measuring housing condition. The facilities include kitchen, bathroom, WC, drinking water, hot water supply, drainage. Some of these constitute the five so-called 'basic amenities' (bath or shower, hot and cold water, indoor WC, wash hand basin, and sink).

The services include gas supply, electricity, heating (central heating or other heating), thermal insulation (loft insulation, double glazing, draught excluders), internal arrangement, access for the disabled, security (window and door security, burglar alarms, smoke alarm) and parking provision.

(2) Occupancy Standards

There are several ways to look at the size of a dwelling, either by the number of bedrooms or by the floor space of the dwelling expressed in square metres (or square feet). In Britain, the most common way of expressing the size of a residential property is by the number of bedrooms, and occupancy is measured in persons per room. Commercial property, on the other hand, it normally measured by floor space. In China and other countries, the conventional way of measuring the size of dwellings is also in floor space, in square metres, and occupancy standards are stated in square metres per person.

The Parker Morris Standard, relating occupancy and dwelling type to floor area, has provided the

benchmark for studies of public sector provision in the UK. 'We believe that it is advantageous for standards of floor space to be expressed as sizes for the whole house or flat, thus giving the necessary flexibility to the designer while ensuring essential minimum levels of space for families of different sizes.' (MoHLG, 1961, p. 33) Although this standard was devised in 1961 when life styles were different, and there was far less household equipment, it still remains the only basis for comparison, and it has been used recently in the comparison of public and private sector provision (Langdon, 1993). A study by the Housing Development Department of the DoE found that the average dwelling built by local authorities in 1974 was approximately 1 percent larger than the mandatory minimum Parker Morris standard (DoE, HDD, 1976). Parker Morris space standards ceased to be mandatory for local authority housing in 1981, and overcrowding is no longer a major problem in housing conditions in the UK. Since then a high proportion of dwellings, especially those built by housing associations, have fallen below Parker Morris standards. A recent study found that only 31.6% of housing association dwellings met the Parker Morris standard, and 68.4% were below the standard; in the private sector, 47.1% of dwellings were built above the standard, but 52.9% were below the standard (Karn & Sheridan, 1994).

As the primary task of housing and urban renewal is to improve housing conditions, both physically and socially, it is concluded that fitness standards, the provision of amenities and occupancy standards are critical measures of targets and achievements.

2.2 The Development of Housing Renewal Policy

2.2.1 Historical Background

In Britain, the problem of urban slums can be traced back to the 1830s, when medical officers of health found that some of the inhabited premises were neither fit nor healthy. There were two related Acts of Parliament concerned with coping with the situation at that time, one was the Artisans' and Labourers' Dwellings Act 1868, known as the Torrens Act; the other was the Artisans' and Labourers' Dwellings Improvement Act 1875, or the Cross Act. The Torrens Act was mainly concerned with clearance of worst slum dwellings, and this influenced the later Housing Act 1957, Part II. The Cross Act was concerned with clearing whole areas and was developed in the Housing, Town Planning, Etc. Act 1909. But, because of procedural complexities, rehousing obligations and especially the high cost of improvement, from 1890 to 1914 only 32 slum clearance and improvement schemes were finished (Clarke, 1920). After the First World War, the most urgent problem was the housing shortage, and to deal with this issue the Housing Act 1918 and subsequent legislation attempted to tackle the housing shortage through subsidies for local authorities, rather than dealing with slum clearance, so by 1930 only 11,000 houses had been demolished (English, et.al., 1976).

The outcome of the 1930 Housing Act was the turning point, as the previous Housing Acts from 1890 to 1925 were exclusively for the provision of new housing so as to increase the total pool of accommodation. The 1930 Act suggested that the accommodation for the poorest workers could be indirectly improved by a general process of 'filtering up' (Ministry of Health,1931). So starting from 1930, a national slum clearance campaign was inaugurated. In the initial stage of this period, the implementation of the programme was rather slow, so the Annual Report of the Ministry of Health of 1933 and the following Circulars encouraged housing authorities to prepare a clearance area timetable, and to speed up the process of slum clearance. According to the statistics from the 1934 Ministry of Health report, 'Housing Act 1930, Particulars of Slum Clearance Programmes Furnished by Local Authorities', 266,000 houses were demolished, almost two and a half times

more than the 1930 programme. By 1939, the rate of demolition was 90,000 per year, and the total number of demolished or closed houses in the 1930s was 273,000.

During the Second World War and the following years, slum clearance, repairs and maintenance virtually ceased. But new housing construction restarted after 1945 due to the war time damage and to meet the increasing demand for accommodation after the war.

The climate was changed by a Conservative promise in their 1951 general election campaign, the target was to build 300,000 houses a year which was achieved in 1953. Slum clearance was resumed following the Queen's speech in November 1953 and information given in the Debate on the Address by Harold Macmillan. The details for the 'better housing campaign' were clearly shown in the 1953 White Paper, Houses - the Next Step, which made three key points: firstly, in the private sector, increases in rents of sound houses and encouragement to landlords to undertake more repairs; secondly, under the 1949 Act, provision was made for grants to be available to local authorities making repairs to dilapidated houses; and thirdly, clearance of slum areas. In May of 1955, the Conservative government made a further promise to rehouse 200,000 people a year and to provide 60,000 new dwellings a year (House of Commons, 1955). The major difficulties they faced in slum clearance at that time were rising interest rates, restriction of subsidies, workload on technical staff, decontrol of rents under the 1957 Rent Act, and economic and demographic trends. Housing authorities under these pressures had to redirect their energies and consider the possibility of reconditioning old housing.

The late 1950s is a contradictory period, when on the one hand the Conservative government was celebrating their triumph of rehousing 200,000 people a year, mainly achieved by widespread adoption of industrialised building methods in council housing, and nearly thirty eight local authorities doubled the clearance rate by building council housing. On the other hand, accumulation of independent evidence made Parliament begin to reveal the inadequacy of the large scale slum clearance programme. From the academic point of view, doubts were cast on the

obsolescence of the houses, academics found that the declared number of unfit houses was a gross underestimate, and the process of obsolescence would itself produce the need for replacement and improvement (Samuel, 1962). The successor to this government was the Labour Party, who critically reviewed the previous policy, announced improvement of intelligence and carried out survey field work. The result of the survey in 1967 showed that the problem of unfit houses was much greater. In April 1968, the White Paper, Older Houses into New Homes, declared that some public investment should be switched from new building to the improvement of the old houses. The following Housing Act of 1969 introduced new procedures for area improvement, in particular General Improvement Areas (GIAs), but made only minor adjustments to slum clearance policies.

2.2.2 Housing Renewal Policy since the 1960s

From the mid-1950s to the late 60s, slum clearance and rehousing large council estates was at its peak, but throughout that period there was an increased questioning from economists and others of the wisdom of pulling down much older property which they argued if properly repaired, could be improved and maintained, and could easily have stood for many years. The White Paper, Old Houses into New Homes, pointed out that after the stage of overcoming the shortage of housing and keeping up with the growing number of households, the balance of need for large new building programmes and older building improvement was changing. It argued that investment in the building industry should go both to new housing and older housing improvement. As noted, the 1967 national sample survey of housing condition in England and Wales indicated that unfit and substandard housing were more extensive than had been known, nor were they so concentrated geographically as thought before. The government laid down on local authorities a duty when they surveyed the condition of their area, that they will not only provide new housing, but also improve their unfit and unsatisfactory older housing.

(1) 1960s Pilot Schemes for Housing Improvement

Two pilot schemes in the 1960s were particularly important and fundamentally influenced

government housing policy. One of the schemes was carried out in 1966, the Deeplish Study in Rochdale, Lancashire (MoHLG, 1966); the other was in the north east Lancashire, the Nelson and Rawtenstall improvement schemes. Both of them adopted a gradual improvement strategy rather than comprehensive slum clearance and redevelopment.

The Deeplish study was carried out in a typical older urban housing area, and the land use was predominantly residential. The aim of this programme was to bring the management functions of the local authority to a simplified pattern of operation, gaining experience of management and securing co-operation of residents and house owners. The study, before carrying out a housing renewal programme, was concentrating on some specific fields: the trends of the existing housing stock, whether houses were tending towards further deterioration or remaining in a stable physical condition; the standard of housing the local authority could reach after renewal; the cost of various degrees of rehabilitation; the intentions and preferences of present residents; the social impact of area reconditioning; and the adequacy of existing machinery. The renewal team included professionals, academics and government officers. The physical survey showed that although the area had a run-down impression most of the housing stock was in sound structural condition, and housing layouts were generally good. The social investigation reflected what the present residents thought concerning their houses and their way of life. So the old established area is much more than a collection of older housing stock and topographic features, instead the people and the place are dominant.

The achievement of the pilot scheme in the Deeplish study is that it made the housing and environment in Deeplish physically feasible and acceptable to the present residents, showing that housing renewal had made Deeplish more attractive and comfortable. The successful story of Deeplish improvement was also attributable to other facts such as the financial advice, the technical support, and good relations with the public.

The other pilot scheme was the Nelson and Rawtenstall improvement scheme in the late 1960s

(MoHLG, 1969a), in northwest Lancashire. The scheme was to try to cover as wide range of environmental problems as possible in the context of the 1969 Housing Act; the site chosen was a mixed area which included obsolete housing, a part of the town centre and some old industrial premises. The areas were in the beginning of accelerating urban decay, the population was dominated by older age groups, the income level was lower than average, the growth of services was slow, and the local authority had no capacity to tackle these problems. But houses in the areas were in physically and structurally sound condition, they were attractive to older households as they were compact, cheap and close to the central area. The renewal policy of this scheme was designed to encourage both the private sector and the local authority to sustain these cheap houses and strike a balance between decent living condition and avoid overburdening financial resources to residents; and to improve environmental conditions and the non-residential area.

Lessons from the1960s pilot schemes are that successful housing renewal programmes depend on local housing market conditions, area reconditioning work needs a large-scale pool of expertise, and the housing standard is essential to successful improvement. The preferences and attitudes of present residents are important in the process of decision-making as housing rehabilitation is not only a physical process but also a social response.

(2) 1969 Housing Act and General Improvement Areas (GIAs)

The Government Circular 65/69 introduced the 1969 Housing Act with an emphasis on improvement concentrated in designated areas. The Act set out a policy towards gradual renewal and rehabilitation, raised level of improvement grants, and introduced 'General Improvement Areas' (GIAs). Councils were encouraged to declare small areas of older housing as GIAs which would notionally give all the houses a 30 year life. By doing this, they could extend their influence into private housing areas without taking complete control. They would also do environmental works in GIAs, and encourage public participation in planning these works, all this being undertaken in order to encourage house improvement (MoHLG, 1969b).

i. The major features of GIAs

The Act advised councils to choose areas on the basis of likely success, it stressed that there should be no major planning proposals casting doubt on the area's future; that the houses should be basically sound and the environment should be reasonable; proximity to an area of good housing was a point in its favour. It also suggested that councils give preference to an area if the people in it were more likely to welcome and co-operate in a scheme of improvement. (MoHLG, 1969b).

The Act was attractive to various interests including major political parties and some residents' groups as it helped to encourage the growth of owner occupation as the major form of tenure in England; it was seen as the quickest and cheapest way to improve housing conditions. The previous clearance programmes had meant substantial disruption and the break-up of communities, and the improvement policies of the 1969 Act could prevent this happening, and many houses were subsequently improved.

ii. The effects of GIAs in practice

a. The policy of the 1969 Act worked to the advantage of better-off owner occupiers, for those without capital it was of little value, and for tenants even less, since the retention of private housing has been of dubious value for both of these groups. Furthermore, in some areas landlords were better able to realise their investment and sell rented houses which became vacant. Combined with the decline in council house building, it is arguable that this forced many people, often unwillingly, into owner occupation.

b. Improvement policy often proved slower than redevelopment, especially for the majority who remained in unimproved houses. It was cheaper primarily because it is cheaper to improve a few houses than to redevelop the whole area.

c. Gentrification was the extreme result of these processes, in some circumstance showing the abuse of improvement grants by landlords and developers (Shelter, 1972).

Excesses were to some extent controlled by later legislation, the result being that few landlords have been willing to improve.

The 1969 legislation was aimed at a particular group: owner occupiers with sufficient capital to finance major improvement. It was a package of incentives with no effective compulsion to back it. The remaining unimproved properties were concentrated in the hands of absentee landlords and the poorer owner occupiers,which made it even less likely than before that owners and absentee landlords would improve their properties unless they received a further massive injection of public money, which was not seen as an acceptable use of public funds. It was frankly admitted in the White Paper, Better Homes, the Next Priorities (DoE, 1973b), that GIAs had so far failed to raise the standards of the older residential districts to the extent that the government considered both desirable and possible, hence the White Paper heralded the 1974 legislation.

(3) 1974 Housing Act: Housing Action Areas (HAAs) and Renewal Strategies

Following the 1969 Act, improvement and redevelopment policies ran side by side. Each had particular advantages and disadvantages. However, central government policy shifted from offering these as alternative packages to local councils towards a clear preference for improvement policies. The Conservative Party took office during 1970 until 1974. They had a government machinery change when the former Ministries of Housing and Local Government, Public Works and Transport were merged as the Department of the Environment. In the policy of slum clearance and redevelopment, they shifted the emphasis from subsidy for slum clearance to council housing for displaced residents (DoE,1971). The subsequent Circulars and Housing Act enabled local authorities to support the private sector rather than public redevelopment, and loosen time limits to operate with high grants. All these measures indicated clearly that the policy of old housing reconditioning had moved away from slum clearance to improvement. Some academics and professionals pointed out the shortcomings of slum clearance, and the 1972 Shelter report, Review of the Slum (Shelter, 1972), said that slum clearance for many poor

households meant only a transfer to another slum. R. Mckie's paper, 'Housing and the Whitehall Bulldozer', proposed a policy of 'cellular renewal' (Mckie, 1971). Another example was revealed in the development of Liverpool in which the city clearance programme had outstripped its capacity to rebuild, and the city centre became a derelict area. All the strong evidence led to a crystal clear conclusion that clearance should be stopped, and instead improvement and small scale redevelopment should be adopted.

In June 1973 the White Paper, Better Homes, the Next Priorities, argued that it was time to justify a move away from large scale clearance. If the operation of gradual renewal was suitable, slum clearance would be carried out side by side with an improvement programme (DoE, 1973b).

i. Main features of the 1974 Act

The marked differences between GIAs and HAAs is that while GIAs were declared in areas most likely to succeed, the 1974 Act suggested HAAs were to be declared specifically in the 'housing stress areas' chosen partly on grounds of social need, and the primary aim would be improvement of homes rather than improvement of the area. The Housing Act 1974 not only introduced the policy of Housing Action Areas, but also abolished the procedures for clearance orders so that slum clearance could only be used if a HAA was not appropriate. Circular 13/75 stated that except in a few cities, the programme of large scale slum clearance should be drawing to a close (DoE,1975a). The 1974 Act became the main plank of policy for older housing policies. It had several major components: declaration of Housing Action Areas (HAAs), compulsory improvement powers, the gradual renewal principle, and the wider use of housing associations.

HAAs were seen as a direct alternative to clearance. In declaring a clearance area, a local authority would have to establish, for example, that a HAA declaration is not more appropriate. Many residents' groups reacted with favour to this shift which appeared to respond to their demands that the community should be kept together. With regard to the compulsory improvement powers of local authorities, it was argued by the government that local authorities would have stronger

powers to deal with landlords who were unwilling to improve their property and it was true that compulsory purchase powers were available to councils for acquiring property in housing action areas. However, apart from this provision, similar powers existed under the 1969 Act and only a very few councils used them, because they are a politically sensitive instrument, involving time-consuming and expensive procedures. A major new role was envisaged in the 1974 Act for housing associations. Until the 1970s, housing associations had a minor role in housing provision, most often as philanthropic or self-help bodies. However the rapid decline of the private landlord who in 1919 owned 90% of all housing and only 17% by 1973 (CDP, 1975) led to arguments in favour of a new 'third arm' sandwiched between owner occupation and council housing. Government preference for housing associations was emphasised in the circulars sent out to explain the Act. It encouraged local authorities to use resources that were made available by registered housing associations (DoE, 1975a), and to welcome the contribution that housing associations could make (DoE, 1975b).

Both major political parties at that time supported the development of owner occupation and the 1969 Act was in line with this policy. However large scale clearance continued to replace both owner occupied and private rented housing with council housing. The introduction of 1974 Act helped to reinforce owner occupation as a significant sector. The 1974 Act also addressed itself to the disappearance of the private landlord by giving a new role for housing associations directly at the expense of council housing. It was later argued, however, that the Act did not go far enough to increase the chances of good housing conditions for substantial numbers of people in working class areas.

Comprehensive redevelopment and slum clearance is now out of fashion and a major justification for this change of approach is the argument that it had massively and unacceptably disrupted local communities. In the shift of emphasis towards gradual renewal the problems of area clearance and redevelopment were portrayed as endemic, rather than an appropriate subject for further reforms. However, the limited impact of improvement in the 1970s has raised the prospect of a further

generation of slums. According to one commentator, 'It may well be that this dismissal of redevelopment was premature: a re-examination of its role and reform of the processes involved are likely to be part of the development of urban renewal policy in the 1980s.' (Gibson & Langstaff, 1982)

2.2.3 Policy Changes since 1989: the NRA and Neighbourhood-Based Approach

1989 Local Government and Housing Act (LGHA) has shifted housing renewal policy towards neighbourhood-based renewal. Housing renewal has changed dramatically since the Act came into power in 1990. It is either going large-scale or is disappearing altogether. The new framework is neighbourhood renewal and the new terminology is Renewal Areas (RAs) and Neighbourhood Renewal Assessment (NRA). The LGHA includes a complete rewriting of the rules for private sector housing improvement. The introduction of Renewal Areas to replace the old GIAs and HAAs is seen as a method for not just improving housing, but for the revitalisation of housing and community in run-down areas. The LGHA intends that 'area action continues to play a central role in the Government's policy for improving the condition of the private housing stock...' (DoE, 1990, p. 3) Renewal Areas (RAs) are 'to assess the need for clearance on a systematic, area basis and to declare RAs where concentrated action is required.' (DoE, 1990, p. 3). Thorough appraisal of all options is called for. The RAs are intended to be larger than previous improvement areas, they will normally have a life of 10 years and will tackle social, economic and environmental problems. The Act aims to 'increase market confidence in an area and thus help the process of decline..' (DoE, 1990, p. 3). It also introduced a new 'means test' for renovation grants, and a new fitness standard.

(1) The Major Components of the 1989 Act

i. The Means Test

The means test is the method to assess the eligibility of residents applying for grants. The new rules of eligibility follow those for housing benefit and community charge benefit with the following

exceptions. First, there is a capital disregard of £5,000 and no upper capital limit. Secondly, a home improvement premium of £20 is added to the 'applicable amount'. After the means test, if a household's assessed net income is below the applicable amount, the full cost of works will be met by grant, providing the property is eligible. If net income exceeds the applicable amount, 20 per cent of the excess is assumed to finance a loan to cover the household's contribution. The loan is based on current interest rates over 10 years. If this sum exceeds the cost of works, no grant will be paid. The system of means test clearly has a redistributive effect.

ii. New Fitness Standard

The fitness standard in the LGHA 1989 Act concerns the following aspects: structural stability, freedom from damp prejudicial to health, adequate heating, lighting, ventilation, water supply, food preparation facilities, sink, hot water and cold water, suitable W.C., bath or shower with hot and cold water, wash hand basin, and proper drainage. The new standard is higher than the previous one which was last set out in the 1985 Housing Act (see Appendix 2).

iii. Conditions for declaration of Renewal Areas

RAs are primarily about improving older housing but also revitalising housing and community in run down areas. To qualify for grant, areas must have 75 % of properties unfit, 75% in private ownership, and 30% of residents in receipt of means-tested benefits. They require the maximum involvement of the private sector; agency and advice services; cost benefit analysis; and 10 year life with an annual capital allocation.

(2) <u>The Concerns over the LGHA 1989</u>

In practice, the implementation of the LGHA since 1989 has raised the following issues:

i Complexity of declaration

NRA is a long and complex process designed to: assess an area's housing, environment, community, commerce, industry and land use; find out the views of residents and other

'stakeholders', especially the private sector; develop a timetable and conduct a cost benefit analysis on the options for neighbourhood renewal; choose with consultation the best option as the action plan for the renewal area. For areas averaging 2,000 houses this process takes a great deal of time and effort, and the learning of new skills. It takes an average of 8 months to carry out the prerequisite NRA; some local authorities even took 18 months to conduct this process (Couch and Gill, 1993).

ii " Mean " Means Test

The new means test rules replaced those based on the age and rateable value of property. The means test is designed to provide low income households with an incentive to improve their property and restrict grant aid for better off householders. Some of the household's outgoings, such as mortgage repayments, are not considered in the assessment. Unlike the old provisions for improvement grants there is no eligible expense limit for the renovation grant. According to Couch and Gill, there will be significantly fewer people contributing relatively low sums under the new rules, and emphatically this is the way in which grant aid can be drastically reduced or eliminated for large numbers of people who would qualify for the grant. The new rules will give to the poor and take from the not so poor. The gainers are the most needy who will no longer be deterred from undertaking essential renovation work, but the losers will be the majority who are mostly not rich and cannot expect the value of their property to increase substantially after renovation in present housing market conditions.

Couch and Gill have estimated that the application of means testing reduces what limited assistance there is still available to about three quarters of those living in unfit housing. Whilst amenities are now included in the new fitness standard, the base level is very low indeed, being set at 'serious disrepair'.The direction of older housing policy is therefore down to individual responsibility and largely laissez-faire. Anyone who does not live in an unfit house, or who does but is above benefit levels, is assumed to be in a position to afford improvement and repair. Arguably, the test is too complex, difficult to understand and discouraging for certain important

groups. The test is based on the housing benefit system, which was designed to provide ongoing support, whereas the grants themselves are one-offs. The system should make a provision for actual housing costs, particularly mortgage payments, all subject to limits. There are also considerable concern over people with disabilities having to contribute.

The major disadvantage of the LGHA 1989 is the complexity of NRA assessment and the inadequate means test. It has been argued that for the new grant system, it is necessary to have an upper limit on individual grants, a simpler means test to ensure grants are targeted at low income households, and a review of the legislation on clearing poor housing areas. A lot of people just above the poorest category are much worse off under the new system, and it is expected that unless action is taken soon the whole system could be discredited. The means test is regarded as bureaucratic, difficult to understand for both the local authority and the applicant, difficult and costly to administer, and often bears no relation to how much people can practically contribute to the cost of work (Sewell,1990).

2.2.4 Relation Between Housing Renewal and Urban Regeneration

It has been shown that housing renewal policy in Britain was pioneered by two pilot schemes in the 1960s, the Deeplish Study in Rochdale, Lancashire (MoHLG, 1966), and the Nelson and Rawtenstall Improvement Schemes in north east Lancashire (MoHLG, 1969a). The 1969 Housing Act and its General Improvement Area policy (MoHLG, 1969b) is widely regarded as the beginning of a new era of housing improvement, marking a transition from the previous large scale slum clearance to gradual renewal. The demonstrational practice of gradual renewal in Jericho, Oxford was the showpiece of governmental commitment to the new approach (Moore, 1975). Housing renewal policy was therefore introduced earlier than policies for urban regeneration. However, alongside the development of policies for the renewal of older housing, there have also been policies concerned with the wider aspects of urban regeneration. It is necessary to look briefly at these policies in order to see how far they have influenced the general context of housing renewal.

The origins of urban regeneration policy in Britain lie in a series of urban experiments introduced primarily by the Home Office and the Department of the Environment in the 1967-1975 period. In all a dozen separate projects were initiated in both Harold Wilson's 1964-69 Labour government and Edward Heath's 1970-74 Conservative administration. The 1977 White paper, Policy for the Inner Cities (DoE, 1977), is regarded as a milestone of inner city policy in Britain, but the policy itself was deeply rooted in the urban experiments.

Rising urban problems such as urban poverty, growing unemployment and the emerging racial issue were the major reasons for launching urban policies in the 1960s.

i. Urban poverty

The independent report, The Poor and the Poorest (Abel-Smith & Townsend, 1965) and the official report, Children and Their Primary School (Plowden 1967), suggested that twenty years of the Welfare State had not lifted the problem of poverty, and that special attention should be given to the disadvantages in the cities so as to make inner city area sustainable.

ii. Rising unemployment

The Department of Environment report, Study of the Inner Areas of Conurbations, disclosed that cities had suffered huge job loses due to cut-throat competition internationally. In London, for example, between 1961 and 1975 half a million of its 4.5 million jobs, nearly 11%, had gone, and most of the major provincial cities had lost at least 30% of their manufacturing jobs between 1971 and 1975 (DoE, 1975).

iii. Racial issues

The non-white population had risen steadily since the early 1960s, from 75,000 in 1951 to 600,000 in 1966 (Lawless, 1989a). The Local Government Act 1966 therefore not only introduced the urban programme, but also allowed grants for staff costs for dealing with increasing immigrants from New Commonwealth countries.

Apart from the issues above, other facts also contributed to the introduction of these programmes, for instance management advantages such as the experiment allowing central government to influence local policies, and enabling the government to co-ordinate many policies and agencies that in some way influenced the governing of cities. Urban experiments and programmes were designed to explore specific problems of city life, some of which were concerned with the quality of life in urban areas; others examined the ability of urban management to alleviate urban poverty and to improve urban administration. Major urban programmes during that period included the Urban Programmes (UP), Educational Priority Areas (EPA), Comprehensive Community Programmes (CCP), the Inner Area Studies (IAS), and the Community Development Projects (CDP). Among these the IASs and CDPs had a significant impact on urban regeneration, and they were important in reformulating the government's attitude towards the scale and causes of urban decline.

The IASs were commissioned by Peter Walker, the then Secretary of State for Environment, in 1972 and were undertaken by consultants in inner Liverpool, inner Birmingham and Lambeth (DoE, 1977a, b and c). The CDPs were established by the Home Office in 1969 and concentrated on deprivation within small localities. CDPs proved more radical in outlook than the IASs but there were marked similarities in approach. The conclusions from the IASs and the CDPs were that the residents in the areas were not on the whole inadequate or deficient. They suffered from the same kinds of problems as other inner urban localities, and these problems essentially revolved around issues of economic decline, a contraction in employment opportunities and diminishing individual and community wealth. The White Paper of 1977, Policies for the Inner Cities, accepted the general conclusion from the urban experiments and consultants reports and concluded that 'the decline in the economic fortunes of the inner areas often lies at the heart of the problem.' (DoE, 1977, p.2)

By the mid- to late-1970s, the short-term urban experiments had largely ceased. More permanent

and comprehensive inner city policies were implemented by the Labour Government between 1977 and 1979 and by the Conservative Government after 1979.

Labour's strategy was outlined in its 1977 White Paper with three distinctive components: the Comprehensive Communities Programmes (CCPs), a recasting of the Urban Programme (UP), and Industrial Improvement Areas (IIAs). CCPs were an attempt to take coordinated measures in urban development; the UP was intended to fund economic, social and environmental orientated projects; IIAs tried to revive the run down industrial areas in the inner cities.

Conservative administrations after 1979 initiated a series of inner city policies although their overall strategy differed from that of the previous Labour government. The marked contrasts can be seen between the approaches outlined in the 1977 White Paper (DoE, 1977) and the 1988 White Paper, Action for Cities (DoE, 1988a). Three differences can be identified: local government which was previously regarded as a natural agency in inner city development in 1977 was not acknowledged in 1988; the private sector played a minor role in urban renewal in the late 1970s but was addressed as a major force in the 1988 statement; the 1977 White Paper anticipated a literal and metaphorical partnership between local and central government, while the 1988 statement suggested that central government was to play the pivotal role via Urban Development Corporations (UDCs) (Lawless, 1989a).

Housing renewal policy however, has not been regarded as a prominent issue in inner urban policy. Some Urban Programme resources have been used for housing projects such as the 'enveloping' of older properties during rehabilitation, but this was soon stopped as an inappropriate use of funding. Some Urban Development Corporations, notably the London Docklands Development Corporation (LDDC), have encouraged inner city residential development, as have Urban Development Grants (UDGs) (DoE, 1988b), intended primarily to lever private sector resources into inner urban developments through the application of a minimum public sector contribution. The Priority Estates Project identified the scope for improved

management of public housing, and the Estate Action Programme in 1985 was intended to explore solutions to the problems faced by poor council accommodation by using better management, transfer of dwellings to local management trusts, attracting in private sector resources, and through Community Refurbishment Schemes using local unemployed people to improve their own estates. The Housing Act 1988 allowed central government to create Housing Action Trusts (HATs), appointed bodies which could take over public sector estates, improving them and passing them onto new owners including private landlords, housing associations and tenant co-ops (DoE, 1988a).

In November 1993, the government announced proposals for the single regeneration budget (SRB) which amalgamated twenty budgets previously managed by several departments. Its objectives are to promote economic, social and physical regeneration and to improve the industrial competitiveness of firms (DoE, 1993b). The single regeneration budget is to be managed by an integrated regional office of the civil service, which will take responsibility for services and programmes previously delivered by the Department of the Environment, along with the Departments of Trade and Industry, Transport and Employment. The integrated regional office has the remit to construct a regional strategy for regeneration programmes, within which the role of local authorities is to co-ordinate the submission of bids from local partnerships which include many diverse groups such as the Training and Enterprise Councils and the Urban Development Corporations.

Although the aims of the single regeneration budget are extremely ambitious, the money available for local partnerships is tightly constrained by two factors: first the ring-fence of resources for existing central government regeneration initiatives, and second the continuing decline of resources available for urban regeneration. The allocation of resources through the single regeneration budget contains a major contradiction. On the one hand the DoE will allocate the new flexible budget to local authority partnerships on a competitive basis, while on the other, the budgets of the unelected Urban Development Corporations, Housing Action Trusts and the

Urban Regeneration Agency will be ring-fenced (Lawless, 1989b).

Given the clear priority awarded to promoting economic regeneration outlined in the single regeneration budget guidance (DoE, 1993b), it is clear that the vast majority of the resources that would have been allocated to housing under the Estate Action programme will now be transferred to meet other economic and social objectives. The potential impact on housing renewal in the inner city will be on the renewal of council estates: the inner urban areas which contain the highest indicators of housing stress will suffer the largest decreases in resources, as a result of the removal of the DoE's targeting mechanisms and the transfer of resources away from the physical improvement of run down housing estates.

2.3 Case Study of Leicester

The City of Leicester has had an active programme of housing renewal for over 20 years. Most of the City's older terraced housing was built after 1890, to bye-law standards, and is therefore of a relatively good standard of space and internal arrangement. It was able to clear its worst slums in the 1960s, in a relatively small programme by comparison with other industrial cities. Following the 1969 Housing Act and the 1974 Housing Act, Leicester immediately embarked on developing a comprehensive Renewal Strategy for its older housing areas. It committed itself fully to the concept of gradual renewal, giving priority to the repair and improvement of older housing but accepting the need for small scale demolition and eventual replacement. Significantly, Leicester adopted a strategic approach to the problem. A series of Improvement Zones was identified using census data and other local data, and a rolling programme of detailed housing condition surveys was planned over 15 years. By 1989, when the current legislation was introduced, Leicester was able to move relatively smoothly from its pre-1989 programme to operating under the new legislation owing to the fact that the new policy incorporated many of the principles which Leicester had been following in its previous programme.

2.3.1 Leicester's Older Housing Stock

Many of the housing problems faced by the inner parts of British cities are the legacy from industrial growth in the early nineteenth century, when Britain became the first industrial nation and experienced rapid urbanisation as towns grew quickly around the new factories to provide accommodation for their workforce. There is a degree of physical continuity with many of the houses and factories from this period still standing.

(1) Early Industrial Housing

At the beginning of the nineteenth century Leicester was still a country town, dependent upon its immediate countryside, very local in its outlook, self-contained and self-satisfied (Paterson, 1975). It had not developed much beyond its medieval boundaries with Abbey Meadow to the North, the

Soar to the West, the Newarke to the South and Humberstone Estate in the East. At that time in Leicester most of the larger houses stood detached in their own grounds, or at least had spacious walled gardens that often contained fine old mulberry trees. Even the 'lower order' had neatly-kept gardens too, even in the centre of the town there were many open spaces (Paterson, 1975.). Leicester displayed two characteristics at that time, first it played an important function as a local market, second its spatial structure showed a mixed pattern of residential and commercial uses contained within a small area.

The industrial revolution saw a massive increase in productivity through the harnessing of power to industrial processes. The economic base provided the jobs and income for the town's expansion, with the population rising from 17,000 in 1801 to 211,000 a century later. To accommodate this increase the housing stock expanded from 3,000 to 33,000, with the development of the suburbs which resulted in a segregation of social classes.

According to Simmons (1974), in examining the causes for Leicester's growth, the standards and quantity of the houses built and the effectiveness of the private market, the development of the city can be seen in two halves: the first period of early growth was based on the canals and the domestic hand loom industry, ending with riots and starvation in the 'Hungry Forties'; in the second half of the century Leicester developed rapidly and was described by a former mayor as 'historically, geographically and morally the centre of the British Empire.' In the first half of the nineteenth century Leicester faced unemployment and low wages, as agricultural migrants continued to seek work in the town which did not have the wealth to provide a decent standard of accommodation. Due to the small size of the existing housing stock there was little opportunity for sub-dividing properties. As a result the growing population was dependent on new development to provide their housing. The problem was that private speculators would only build at a profit and this had major implications for housing standards. To achieve minimum costs, the bulk of such property had to be as small as practical and as tightly packed together as the builder could manage. The first requirement of housing was that it be cheap (Pritchard, 1976). Much of the

building took the form of small courtyard developments built as extensions to existing streets, fillings in gardens and every available space with these small cottages. In 1848 the Borough Medical Officer reported that there were 2000 such dwellings representing a sixth of the City's stock. These cottages had an average of four rooms each, i.e. two bedrooms, a room for day occupation and a kitchen, the dimensions ranging from 12 feet by 14 feet to 8 feet by 10 feet, but there were no arrangements for ventilation (Ranger, 1849). Such was the density of development that the open town of 1800 was entirely built over 50 years later. Some of the worst housing conditions were found in the lodging houses around Abbey Gate and Wharf Street, which catered for the large migrant population. These 'Rookeries' or 'tumbling tenements' were let to a tenant who was responsible for the rent but who would sublet to as many people as could be fitted in. In 1851 these lodging houses were described as 'dens of infamy' and 'nurseries of disease and crime, concealing and encouraging burglars and prostitutes.' (Paterson, 1975) (Illustrations 1 & 2)

Leicester's growth in the nineteenth century was based upon an expanding, industrial economy with a rising demand for labour. This growth was as rapid as it was unregulated, with no agency taking the responsibility for providing the infrastructure (drainage, sewers, housing) necessary to service the town. Difficulties came to a head in the 1840s when economic recession saw mass unemployment, starvation and riots, in addition to the town's appalling health and housing problems.

(2) The Beginning of By-Law Housing

The latter half of the nineteenth century saw the first attempts made in Leicester to tackle what came to be known as the 'urban question'. It was a period of great expansion, when Leicester grew as fast as any town in the country, and also a time of increased prosperity. The wealth from new industries combined with new political priorities to raise standards of health and housing in the town. Whilst the private market was still seen as the solution to the housing problems, there was a growing recognition of the needs for regulation. During this period Leicester was one of the

was a growing recognition of the needs for regulation. During this period Leicester was one of the most rapidly expanding towns in England, growing from a population of 68,000 in 1861 to 211,000 in 1901. It was the combination of increased wealth with public intervention that contributed most to Leicester's improved health and housing record in the second half of the nineteenth century. The new approach to public intervention was the direct result of the new balance of economic and political power. The growth of Leicester in this period was based upon the diversification of its industry and the mechanisation of production. The most important of the new trades introduced to Leicester was boot and shoe manufacture. By that time 21%of the city's total population were employed directly in either the hosiery or footwear industries. These industries were complementary for whilst three-quarters of hosiery jobs were done by women, two-thirds of employment in footwear was for men. Thus developed the two income family on which Leicester's prosperity has depended.

The new industrial wealth changed the balance of political power in Leicester. Unlike the landed gentry they replaced, the economic interests of the new industrialists were closely associated with the City. Towards the end of the century a gap was widening between the municipality and a large number of the leading manufacturers and shopkeepers (Paterson, 1975). This pressure from the new economic order had led to electoral reforms in the 1830s when radical merchants and manufacturers were ceasing to feel that their parliamentary representative must be a country gentleman and coming to prefer that he would be 'a man of their own stamp' (Paterson, 1975). It was inevitable that the reformed Corporation would reflect different economic interests, particularly with regard to urban development.

The increasing prosperity of the workforce, combined with the efforts to improve the quality of new housing saw a slow change away from the closely packed development of the early nineteenth century. The new dwellings were constructed to a higher standard and lower density which had important implications for the spatial structure of the town. Improved standards of ventilation and sanitation saw the disappearance of the back-to-back courtyard developments,

whilst the need to service houses with roads and sewers gave rise to the long terrace style, familiar now in the inner city. Whilst there was a limited amount of infilling in the older areas the great majority of this development was on new sites on the periphery of town. In the 1860s there were three main areas of development: firstly on the Belgave and Humberstone Road; secondly in the west between the flood plain of the river Soar and the Fosse Road; and thirdly in Highfields and Spinney Hill. These houses were not all of the same quality or price, neither did they accommodate a uniform class of person. But rather they illustrated the same desire for a suburban location that saw the 'professional classes' move to New Walk and the lower middle classes and the 'Aristocrats of labour' wanting housing on the edge of town. Between 1871 and 1911, 35,000 houses were built in Leicester, all by private enterprise.

By the end of the nineteenth century private builders had constructed many of the new terraces in Belgrave, Highfields and the West End, which form today's Inner Area (Illustrations 3, 4 & 5). This substantial degree of private development contributed to a real rise in the standards of the City's housing stock. However, as a solution to the wider housing question it was only a partial success. There remained a large number of people who could not afford the higher rent levels of these new properties. As a result Leicester, like other large towns, still looked to its slums to provide cheap accommodation. The emergence of building societies, like the Permanent and the Temperance, together with the Freehold Land Society, produced the capital for this development and for a time housing represented a reasonably secure investment at a modest rate of return. In this respect the private market solution to the housing question was more successful in Leicester than many other towns, but little was done to improve the housing condition of the poor. The private market could provide accommodation for the higher paid working class but there was no profit to be made from those on lower incomes. The legislative actions which were successful in improving the quality of new construction also put such new building outside the reach of the poorer groups in the city. As Mckie has pointed out, 'minimum housing standards must be geared to effective demand if there is to be a market in new housing at all levels.' (McKie, 1971) In the last quarter of the century, such a comprehensive market did not and could not exist. Consequently,

all cities were faced with a numerically substantial and spatially segregated stock of old, small, cheap, insanitary and generally sub-standard dwellings, which though declining as a proportion of the total number of houses still provided accommodation for a great number of citizens (Pritchard, 1976).

Generally speaking the second half of the nineteenth century saw a substantial improvement in Leicester's urban infrastructure. Municipal regulation combined with greater prosperity saw a rise in housing standards and in particular a much improved public health record. Although many workers could afford the higher rents of the new terraces there was a massive demand for cheap accommodation in the town which the private market could not satisfy. This led to the call for public intervention in the housing market, and the birth of council housing.

(3) Housing After the War

Following the ending of the World War in 1918 the government pledged itself to the policy of 'Homes for Heroes'. Good quality houses were to be built at rents people could afford, with a government subsidy to cover the difference between costs and revenue. However, when the full financial implications of this solution were recognised the policy was modified. Local authorities were no longer permitted to build houses for general needs but were limited to construction for slum clearance purposes. Once again it was the private sector who were expected to provide for the nation's general housing needs. As a result the principal development by Leicester Corporation in the 1930s was the Braunstone Estate, used to rehouse people from the St Margaret's clearance area. Under the 1930 Act the Corporation cleared much of the oldest housing in St Margaret's Ward and built 2673 houses for the displaced residents, mainly in Braunstone.

Between the wars the Corporation constructed nearly 10,000 dwellings and became an important agent in the local housing market. Whilst the City's housing problems were eased in the 1930s by the addition to the stock, there was still considerable evidence of over-crowding and a shortage of

cheap accommodation. In the late 1920s, the local authority considered that there were 8,000 families in the city requiring a separate dwelling. The 1931 census indicated that there had been little numerical improvement in the housing situation in the previous decade, despite the local authority building programme, though proportionately the situation had improved marginally. There were still 3,000 shared dwellings with 6,000 families in the city. Like most local authorities, Leicester gave preference to people already living in the city, and after the abolition of the principal subsidy in 1933, the main way in which it was possible to obtain a council property was to live in an area liable for slum clearance (Pritchard, 1976).

The Second World War saw a similar pattern repeating itself with an acute housing shortage, bomb damage and a sharp deterioration in housing standards. The scale of the problem was beyond the capacity of the private building trade and, following the war, a massive programme of public building was undertaken. Once again, however, the costs of the exercise were deemed to be prohibitive and council housing for 'general needs' was replaced by the more limited 'sanitary approach' of council housing for slum clearance.

Leicester's council house building programme increased substantially after World War Two. Between 1945 and 1957 11,862 council houses were built at an annual rate of nearly 1,000 per year. The majority of properties were built in Evington, Eyres Monsell, Goodwood, Mowmacre Hill, New Parks, Netherhall and Stocking Farm. In 1955, the housing policy was changed which had a marked impact on Leicester's council housing programme. Between 1958 and 1974 only 9,350 new properties were built at an average of 550 per year. Set against this figure there was a total of 11,351 demolitions, which represented a major improvement in the City's housing stock. The areas cleared consisted mainly of the remaining pre-1875 properties situated to the North and East of the City centre. However, three problems resulted from the policy: firstly, council housing became synonymous with slum clearance; secondly, in an attempt to provide accommodation within the housing cost yardstick many local authorities including Leicester opted for industrialised building systems (such as St Matthews, St Andrews, St Peters, and St Marks housing estates);

and thirdly, slum clearance had a significant impact on the balance of tenure within Leicester's housing market through the demolition of much of the private rented sector.

This brief history has shown that industrialisation was the driving force behind Leicester's growth in the nineteenth century. It provided the wealth for the construction of what is now the inner city, but the way in which it was done has left the City with a legacy of problems. There remain a substantial number of properties which were built to a relatively low standard and whose residents have lacked the resources to improve them. Whilst there have been various attempts to solve the housing question, the relationship of the poor to poor housing has remained. In the inner city area of Leicester today, the major areas of older housing are in Belgrave, Highfields and West End, developed after 1860; while all the pre-1870s housing has been cleared in the two waves of slum clearance, of the 1930s and the 1960s.

2.3.2 Leicester's Older Housing and the Impact of Asian Immigration

Leicester is in a certain degree different from most other British cities, since it accommodates a large number of ethnic minority groups, mainly Asians. The Asians comprise 24.5% of the City's total population and in some inner city areas, their population reaches over 90% (Leicester Herald & Post, 1993). There is a clear relationship between housing condition and ethnic minority households.

(1) The Pattern of Asian Population in Leicester

The 1991 Census showed that the Asian population in Leicester is 66,600. For the past twenty years, the Asian population in Leicester has increased by 233% while there has been an actual decrease of 4.5% in the total population over the same period. In 1971 the Census showed that Leicester already had 20,000 Asians, and by 1981 the figure had gone up to 60,000, which comprised 21.4% of the total population at that time (OPCS, 1983). The most recent figure demonstrates that Leicester now has very large Asian population.

Since their arrival in Britain in large numbers, there has been a continual debate over the issue that Asian immigrants are living in some of the worst areas of British cities. Some of the studies have also indicated that Asians tend to live in high concentration with worse housing conditions as well as high rates of multiple occupation and overcrowding, in comparison with the indigenous white British residents. This section sets out to document the spatial residential patterns of the Asian population in Leicester; examine Asians' housing patterns in terms of housing quality, tenure and location; assess the financial resources available to Asians and the role played by mortgage lending institutions and estate agents; analyse the impact of Asian attitudes, their housing choices and spatial concentration; and investigate the facts which have caused these patterns. Leicester's success in its housing renewal policy has been heavily influenced by Asians' positive attitude towards their properties, although their average living condition is poorer and worse than that of white residents.

(2) Asian Immigrants and Their Settlement in Leicester

There were three major waves of Asian immigration to the UK (Bose, 1979): the first wave was in the 1950s, mainly of male immigrants from the Punjab, Gujarat and Pakistan. The main motive for migration was a demand for unskilled labour in heavy industry and textile mills in the UK, where these immigrants acted as a replacement workforce. In the early 60s a number of dependents joined their male relatives, and the phase of family reunion initiated important changes in immigrant housing demands. Some of the families managed to move out of the private rented sector, shifting to owner occupied properties which were mainly Victorian terraces located in the crowded back streets of Highfields and Narborough Road (Phillips, 1981), which were suffering from some of the worst housing conditions in Leicester at that time. Also many white indigenous residents were vacating the area in preference for new housing in suburban locations. The second wave was in the mid-1960s when many East African Asians came as a result of 'Africanisation'. Finally in 1972 in the wake of Idi Amin's policies the third wave of African Asians arrived in Leicester, despite the fact that Leicester City council had vainly placed an advertisement

in a local newspaper asking them not to come.

The differences between sub-continent Asians and East African Asians were that the latter normally had greater financial resources and a better educational background, and they tended to migrate as a family unit which enabled them to by-pass the rental stage (Marrett, 1983). Many African Asians settled in the established areas of Asian residence, especially Highfields, but due to the rapid growth of the Asian population this brought about tremendous pressure on housing in these areas and as a result many East African Asians pioneered new ethnic communities in the Belgrave area which was also characterised by Victorian terraced housing. These properties generally could provide larger accommodation for extended families. The differentiation based on the socio-economic status, religious and housing needs of the Asian community had a significant effect on the structure and development of its spatial pattern in Leicester.

(3) Assessment of Asians' Housing Conditions in Leicester

A vivid picture of Asians' housing conditions was portrayed by Bose (1979) in his article, 'Asians in Leicester: A Story of Wordly Success'. He described their houses as often having outside lavatories, dark passages leading to a backyard filled with drying clothes, garrets and cellar basements. But the bleak area was overlaid by Asian shops, Asian houses and exotic colours.

Four main measures are adopted to identify and categorise housing conditions: the percentage of private households sharing accommodation; the number of persons per room; the number of rooms per household; and the percentage without exclusive use of all the standard amenities (Lomas, 1974). There follows the indicators based on the above measures used to assess and compare housing conditions between Asian and white residents. Figures for Eyres Monsell are included, as this is a neighbourhood which is predominantly lived in by white residents (where Asian residents were only 0.5% in 1981), and Spinney Hill is a neighbourhood which is mainly lived in by Asians (where Asian residents were 61.8%).

Table 1: Housing Conditions in Eyres Monsell and Spinney Hill in 1981

	Eyres Monsell	Spinney Hill	City Average
Overcrowding (+1.5 p.p.r.)	0.5%	5.0%	1.2%
Lacking inside WC	0.1%	14.9%	7.1%
Lacking inside bath	0.1%	4.1%	1.9%
Vacant dwellings	1.6%	12.9%	5.1%

(Source: 1981 Census)

These figures show that the Asians' housing conditions are far worse than those of white residents, and also worse than the City average. A comparison between the housing conditions of Spinney Hill and the City average indicates the extent of deprivation in Spinney Hill. On average the housing conditions in the Spinney Hill area are 2 to 4 times worse than the Leicester City average. As far as the types of dwellings are concerned, the Survey of Leicester (Leicester City Council,1983) revealed that the majority of Asian households (63%) lived in terraced housing, while in contrast a below average proportion of white households (35.2%) lived in terraced housing. The survey also found that 90% of detached and 89% of semi-detached houses in Leicester were occupied by white households in comparison with Asians amongst whom only 4.1% and 24.2% of households occupy these categories respectively (Figures 1 & 2).

From the above analysis it can be concluded that Asians generally occupy the areas with some of the worst housing conditions in Leicester and their housing conditions are consistently worse than those of white households.

(4) The Private Rented Sector, the Foundation of Residential Segregation

When Asians first arrived in Leicester in the fifties they settled in private accommodation in the

areas of Highfields and Narborough Road. The reasons for their immediate movement to the private rented sector were explained by Phillips (1981) in her article, 'The Social and Spatial Segregation of Asians in Leicester'. First of all they did not qualify for local authority housing, and secondly they did not qualify for a building society mortgage.

Many Asian immigrants faced a great deal of racial discrimination in this housing sector, some of the studies suggested that, 'Ignoring both those flats that are not advertised and those advertisements that exclude him by stating "no coloureds", he can expect discrimination in about two-thirds of his applications...He can expect discrimination whether he is a bus conductor or a hospital registrar.' (Daniel, 1968). Under such circumstances, the rented accommodation they eventually did find was often in areas with the worst housing conditions in Leicester, particularly Highfields. On top of that the Asians were often charged inflated rents for those properties. In order to meet the costs of their rent many low-income families were forced into sub-letting their properties which led to multiple occupation (Aurora, 1967).

During the 1960s, the low profitability of the rental sector combined with new urban renewal policies as well as a rapid influx of immigrants into these areas to make landlords begin to sell these properties. Some Asians who could afford to buy such houses did so but this had the effect of further restricting the supply of private rented accommodation. The 1983 Survey of Leicester indicated that by that time Asians in Leicester were under-represented in the private rented sector (Figures 1 & 2). It found that only 5.9% of Asian households occupied private rented dwellings compared to 9.9% of white households. It is clear that the private rented sector played a major role in determining where Asians initially settled in Leicester and naturally provided the foundation for today's Asian residential segregation. By 1983, only 9.0% of Asian households lived in the council sector as opposed to 34.8% of white households. This under-representation is reinforced by the fact that vast majority of Leicester's 28 council estates are situated on the outer periphery of the city, where Asians do not predominantly reside. Public housing is one of the mechanisms within the British housing system which has enabled households to gain

accommodation of relatively good quality. The under-representation of Asians in this sector therefore has had an implications for the housing qualities they achieved.

(5) Public Sector Housing

During the 1960s in order to be able to register for a council house, the applicants must have either fulfilled a one year residential requirement or declared themselves homeless. When Asians arrived in Leicester they did not know they could declare they were homeless, nor were they able to wait on the housing list for a certain period of time. For them it was easier to find accommodation in the private rented sector. In 1984 Leicester City Council Housing Committee found that Asians normally were easily eligible for a council house because many of them had a family compared with white applicants who included more single applicants. But most of the Asian applicants, about 56%, had requested a particular estate, by contrast with less than 10% of white applicants who made such a demand. There was also the fact that Asians normally had a large family (Figures 3 & 4), while Leicester council housing lacked large quantities of properties suited to large Asian families. Combined with the fact that Asian applicants were relatively choosy, this led in practice to a high refusal rate when housing offers were made.

The apparent disadvantages facing Asians' in Leicester's public housing sector suggests that the problem of racial harassment also exists in Leicester's council estates, particularly in those situated on the outer periphery of the city. A direct result of these hostile activities made Asians deliberately choose the inner city estates which are now in fact predominantly occupied by Asians.

(6) The Dream of Owner-Occupation

As already seen, when Asians first arrived in Leicester, they took private rented housing. But by 1983 Asian households were heavily over-represented in the owner-occupied sector. The Survey of Leicester found that 81.7% of Asians were owner occupiers compared with only 48.2% of white residents in this category. It appears that within the Asian community there is an inverse relationship for most of the Asians between socio-economic status and owner-occupation (Cross,

1977), and they do not gain proportionately from the benefits of owner-occupation since they often occupy the worst housing with limited amenities.

There are several reasons for this fact, first of all Asians like to own their own land as home ownership provides the flexibility which best suits their needs; secondly, when Asians migrated to Leicester they were charged inflated rents which forced them to move out of the furnished rental sector into owner-occupation or renting from their friends; and thirdly, they had large families. According to Leicester City 1983 survey, Asians had an average of 4.3 persons per household, while whites had only 2.5 persons per household, and about 57.6% of Asian households contained three generations (Figures 3 & 4). Finally, the cultural forces within the Asian community have played a predominant role in leading to the relatively high level of home ownership amongst Asian households.

The racial discrimination problems in this sector are also revealed by some studies. The Community Relations Commission (CRC) in 1975 found that 59% of the white people who lived in areas of high ethnic concentration in Leicester felt that different races should live in separate areas (CRC, 1977); the study also found that 40% of white people interviewed felt race relations were getting worse. Another study in 1984 discovered when people were asked whether they consider themselves racially prejudiced or not, over one third were willing to admit they are, and about 40% of respondents thought that such prejudice would increase during the 1980s. Hence the hostility demonstrated by white residents in certain areas of Leicester played a vital role in residential segregation of Asians today.

(7) Double Penalty for Home Ownership

In 1981 Leicester SHARP (Shelter Housing Aid and Research Project) conducted a research entitled 'A Study of the Finance of House Purchase by Asians in Two Inner City Areas of Leicester' which revealed Asians' financial resources: the two inner city areas studied were Belgrave and Highfields. The respondents' sources of finance were as follows:

Table 2 : Sources of Finance for Asian House Purchasers

	Number of Households	%
Banks	56	55%
Building Societies	24	23%
Leicester City Council	14	14%
Other Loans	2	2%
Owned Outright	6	6%

(Source: SHARP, 1982)

In marked contrast, while in Leicester 55% of Asians had loans from banks, the national average in the UK was only 6% (Building Societies Association, 1982). Conversely, building societies account for a mere 23% of the Asian loans outstanding compared to the national average of 81% (Airey, 1984). The predominance of bank lending among Asians could be explained by the marked preference of many of the borrowers for short-term loans which the building societies do not offer. The low level of respondents' loans from building societies related to facts such as that Asians are mainly found in semi-skilled and unskilled manual occupations, and these classes often find it difficult to obtain building society mortgages; Asians' low incomes and their consequent tendency to sub-let lead them to contravene building societies rules; and finally three main building societies (Leicester, Halifax and Britannia) in the 1970s had a 'Red Lining' policy, 'Drawing crude red lines to cover Highfields, Belgrave and the Narborough Road region' and regarding lending in the inner city areas as a poor investment (Roof, 1976).

The discriminatory practices by building societies and their policies of red lining in the 1970s played a major part in determining the relatively low level of mortgages obtained by Asians from Building Societies and the relatively high level of loans from banks, which demanded higher interest rates with larger deposits and shorter repayment periods. The estate agents effectively

acted as a 'sieve' for mortgage applications with a discriminatory view towards Asian applicants.

In brief, Asians paid a double penalty for their advantage of home ownership, they mainly obtained mortgages from the banks which demanded higher interest rates with larger deposits and shorter periods of repayment; and as a result of discrimination by building societies and their red lining policies, they were forced to undertake expensive deals with high cost mortgages for low quality housing. Nevertheless, they showed a persistent commitment to owner occupation to achieve reasonable housing standards in their preferred locations.

Today Asians in Leicester are predominantly settled in the older terraced houses of inner city areas to the east (Highfields) and north (Belgrave) of the city centre; they normally have the worst housing conditions, often lacking basic amenities and living in overcrowded conditions. Asians are heavily over-represented in the owner-occupied sector because of inadequacies in both rental markets and racial disadvantage, and for the privilege of home ownership most of them have expensive mortgages. The positive desire of Asian people to live together and close to their community facilities and institutional premises has been one of the major factors which has caused group cohesion and preserved their cultural identity, but it has also caused residential segregation of Asians in Leicester today.

The Asian population is particularly concentrated in certain areas of Leicester, and these figures are still steadily rising; and more than 80% of Asian households are owner-occupiers. A team from Leicester University conducted research in 1982 which also indicated that most Asians are satisfied with their present properties which by British standards are in relatively poor condition (Sill, et al., 1982) (Figures 5 & 6). It is highly significant that in these circumstances, housing renewal programmes in Leicester have been relatively successful. Most of the inner city areas do not suffer from social stress, most of the owners and private landlords have carried out improvement work, most households are happy in the areas and have no plans to move. Asian residents and their preferences have played a vital role in determining the success of Leicester's

inner city housing renewal programmes, and to a certain degree have influenced the decision makers and their policies. In some situations this has led to 'policy decisions being taken which challenged fundamentally the physical and economic criteria normally employed by professional renewal officers.' (Brindley & Stoker, 1985) The 1982 Leicester Grand Union debate displayed the important fact that many Asian households not only regard their properties as their only affordable place to live, their only investment, but also see these properties as having strong links with their community and their religious buildings. Any attempt at redevelopment in these areas risks being thought of as a threat of eviction from their neighbourhood.

Although Leicester is perhaps an extreme case, given the circumstances just outlined, it shows that housing renewal problems can be defined as the need to reconcile three apparently incompatible factors: a substantial popular demand for low-cost, owner-occupied, lower quality houses; the urgent need to tackle a deteriorating housing stock; and continuing reductions in the level of public sector funding. The essential lesson is that 'the spread of owner occupation within Asian communities and their greater strength of local neighbourhood has transformed the social, economic and political context of housing renewal in Leicester' (Brindley & Stoker, 1985).

2.3.3 Leicester's Housing Renewal Strategy since 1976

In April 1976, Leicester City Council approved a Renewal Strategy with the objective of promoting the improvement of the City's older housing stock and ensuring that existing communities were retained. This represented a significant change from the previous policy of large-scale demolition, although the clearance of small blocks of properties where improvement was not possible would still be undertaken.

The housing problem in Leicester in 1975 had two aspects: physical and social (Leicester City Council, 1975). Physically there were in Leicester over forty thousand private dwellings whose rateable value was very low, £175 or less, and from which the Renewal Strategy programme of Leicester would be derived. The sample survey of housing condition at that time revealed that

20% needed a bathroom, 25% lacked a wash-hand basin, 35% had no inside WC, and 10% had an unsatisfactory kitchen sink. While 62% of the dwellings had satisfactory bathrooms, 17% were substandard in some way and 17% had no bathroom at all, and about 80% would require extensions in order to accommodate a bathroom (Leicester City Council, 1975). Similarly more than 50% of houses needed electric wiring renewed, 50% had some form of rising damp, 40% required major replastering, 14% required complete renewal of roofs, 40% required renewal of eaves, gutters or downpipes, and 51% needed repainting (Leicester City Council, 1975). The overall social problem could be summarised as 'lack of investment' due to uncertainty and lack of confidence in many areas of old housing where many poorly-maintained cheaper houses were located. Those areas were often associated with social problems and social stress.

The problems of the older housing stock were recognised by Leicester City Council, and especially by the Housing Renewal Team, as inter-related. In terms of social problems, the experiences from small area schemes in many poor neighbourhoods such as the Community Development Projects (CDPs) suggested that many of the problems in the poorer areas were a result of structural inequalities in society. The City Council, therefore, recognised that there was a genuine need for cheaper accommodation both for rent and purchase. In terms of physical condition, the City Council recognised that the improvement of older dwellings was limited as a long term policy, both by the need for a continued high level of investment in maintenance and repair work, and also by the cost of improving dwellings to last approximate 30 years as opposed to replacing them to last approximate 60 years.

The City of Leicester has now had an active programme of housing renewal for over 20 years. As has been seen, most of the City's older terraced housing was built after 1890, to bye-law standards, and is therefore of a relatively good standard of space and internal arrangement. Leicester was able to clear its worst slums in the 1960s, in a relatively small programme by comparison with other industrial cities. Following the 1969 Housing Act, it declared a small number of GIAs, choosing areas with a high level of owner occupation and carrying out

environmental works and street closures. With the 1974 Housing Act, Leicester immediately embarked on developing a comprehensive Renewal Strategy for its older housing areas, comprising some 35,000 dwellings. In many ways, the City's response to this policy change was exemplary. It committed itself fully to the concept of gradual renewal, giving priority to the repair and improvement of older housing but accepting the need for small scale demolition and eventual replacement. Significantly, Leicester adopted a strategic approach to the problem. A series of Improvement Zones was identified using census data and other local data, and a rolling programme of detailed housing condition surveys was planned over 15 years. The zones were ranked in order of priority, according to a combination of social and housing factors, with the aim of tackling the 'worst first' while including some areas which might be prevented from further decline. As each zone was surveyed, small areas were identified for declaration as GIAs or HAAs. Two main neighbourhoods were addressed in the first stages of the programme, Highfields and Belgrave, which were also the areas with the highest concentration of Asians.

Leicester is recognised nationally as having been unusually successful in the implementation of its renewal strategy. After 15 years, more than 16,000 properties had been included in declared areas and nearly 12,000 had been improved (Leicester City Council, 1992). Although the survey programme did not meet its original targets, resources had to be concentrated on the worst areas, and hardly any properties were demolished, the overall achievement was very significant. Two main factors stand out as explaining Leicester's past successes in housing renewal. The first is the highly effective implementation of the renewal policy, something which the City readily acknowledges in its own publications; the second, less widely acknowledged, is the role of Asian owner occupiers in the inner city neighbourhoods selected for renewal (Brindley & Wei, 1994).

The implementation of the strategy was put in the hands of a Renewal Strategy Team, which pursued a pioneering and single-minded approach to its task under the leadership of John Perry. It made full use of all available grants and other sources of funding, including the Urban Programme; it introduced enveloping and block improvement schemes, back-to-back grants (the

combination of improvement and repairs grants), and other innovations; it took its services directly to residents, through local offices, and concentrated its efforts in declared areas. As HAAs expired, at the end of their 5 or 7 year life, they were redeclared as GIAs and kept in the programme. This intense effort resulted in high levels of house improvement in individual areas.

The other factor which is particular to Leicester's experience of neighbourhood renewal is the large ethnic minority population of Asian origin in the inner city. As has been shown, Asians are spatially concentrated in certain parts of the inner city, particularly in the Highfields and Belgrave neighbourhoods. The population of Leicester's inner city is over 40% Asian, and over 80% of Asians are owner occupiers, mainly of the older terraced houses which are the subject of the Renewal Strategy. Local surveys have shown a high level of uptake of renovation grants by Asian owner occupiers (Sills et al., 1982), and the propensity of this group to invest in these neighbourhoods has been a major, though not precisely quantified, factor in the success of the renewal programme.

2.3.4 Implementation of LGHA since 1989

By 1989, when the Local Government and Housing Act 1989 (LGHA) was introduced, there were 16 declared GIAs, 15 declared HAAs, and 28 Improvement Zones remaining to be surveyed. With an established and successful renewal strategy, Leicester was able to move relatively smoothly from its pre-1989 programme to operating under the new legislation. Indeed, the new policy incorporated many of the principles which Leicester had been following over the previous 15 years. In particular, the Neighbourhood Renewal Assessment (NRA) concept, where larger areas are surveyed prior to the declaration of smaller action areas, is essentially the same as Leicester's rolling programme of surveys of Improvement Zones followed by HAA declaration. However, the new policy framework was not identical to the old one, and it meant three significant changes for Leicester. First, the City's approach to the continuing management of former HAAs, by redeclaring them as GIAs, had to change. Under the new legislation, HAAs and GIAs terminated but they could be reclassified as Urban Management Areas, with an emphasis on continuing

maintenance and repairs, and Leicester adopted this policy. Second, criteria for areas to be included in renewal programmes were established in the legislation with reference to the new 'fitness' standard. A minimum of 75% of dwellings had to be classified as unfit for an area to qualify for Renewal Area (RA) status. Third, Leicester's rolling survey programme did not appear to meet the criteria for the NRA approach, which was thought to require surveys of substantially larger areas. The survey programme was reviewed and former Improvement Zones were grouped into larger Neighbourhood Renewal Assessment (NRAs).

The aims of Renewal Areas in Leicester are to improve the living conditions and environment of the area, to promote confidence and secure a long term future for the area, and to seek to increase Home Energy Efficiency. Hence the objectives for housing improvement in the areas are designed to achieve high standards of house improvement, to encourage owners to take part in housing renewal work, and to ensure a gradual replacement of older housing which cannot justifiably be improved in order to avoid future large-scale clearance. The first two NRAs were carried out in the Cottesmore and West End neighbourhoods, and resulted initially in the declaration of three RAs, Daneshill, Westcotes, and Willowgreen. A further five areas met the criteria for RA declaration, but this was postponed owing to lack of resources. Subsequently it was determined that smaller NRAs were acceptable and two more were planned in other former Improvement Zones, in Evington Valley and Belgrave. In line with the existing strategy, the Renewal Areas in Leicester have effectively used the established tools to accomplish housing renewal, including the promotion of grants, environmental works and public involvement.

2.3.5 NRA Methodology in the West End of Leicester, Evaluation to Date

(1) Area Profile of The West End in Leicester

The West End is a generic name adopted by the council for a number of smaller areas, including Woodgate, Newfoundpool, Tudor Road, Daneshill, Westcotes, and West End itself. Together

these areas form a loose neighbourhood. The area consists mostly of small terraced houses around 100 years old, plus some three storey terraced villas, mainly in Daneshill. The small houses are mostly owner-occupied or privately rented, while many of the larger terraces are in multiple occupation, including hostels, boarding houses and bedsits. There are two small council estates in the area, a 1930s estate at Stephenson Drive and a 1970s redevelopment scheme on King Richard's Road. In a survey in 1982, compared with the other inner city areas the West End had a mainly lower middle class and skilled working class population, with slightly higher than average incomes. Most residents originated in other parts of Leicester, often from Belgrave or Highfields. A very high percentage had relatives in other parts of Leicester, and they reported frequent visiting. There was some evidence that people had moved to the West End to avoid the areas of concentrated Asian settlement. Residents also reported that their neighbours were 'socially compatible', and this suggests that the West End was acting as a white 'refuge' in a city with an exceptionally high ethnic minority population (Sills et al, 1982).

In 1993, Leicester's Renewal Strategy Team and Home Improvement Services were amalgamated to form three Renewal and Grants Area Teams with decentralised offices. For the West End area of the City this brought the staff of two former Renewal Strategy Offices together with grants staff based in the New Walk Centre. By the end of 1993, there were two Renewal Areas in the West End, the Daneshill Renewal Area, and the Westcotes Renewal Area. The West End local office is now responsible for the Daneshill and Westcotes Renewal Areas, which fall respectively within the boundaries of St Augustine's Ward and Westcotes Ward (Illustrations 6 & 7).

In order to study the implementation of the NRA approach, a detailed study has been undertaken of the Daneshill and Westcotes RAs in the West End. This area is a significant part of Leicester's inner city which, along with Highfields and Belgrave, was designated as one of three major priority zones under the 1978 Inner Urban Areas Act, and included in the Inner Area Programme (there was also one other small priority zone in the inner city, and three others outside the geographical inner city area). Much of the West End was also included in the original Renewal Strategy, but by

1989 the programme had not yet had a major impact on the area: one GIA had been declared and two HAAs, and one of these had graduated to a GIA. The West End was therefore directly in line for treatment under the new NRA policy.

A brief outline of the two RAs gives the following picture:

Daneshill Renewal Area: this area comprises mainly small Victorian terraced houses with larger Victorian properties facing Glenfield Road and Kirby Road. The area is bounded by Braunstone Brook and Franche Road to the West, Fosse Recreation Ground to the North, Fosse Road North to the East, and Hinckley Road to the South. It contains 526 dwellings (Illustration 8).

Westcotes Renewal Area: this area also consists of small terraced houses, except along Fosse Road Central where there are some larger Victorian villas. It is bounded by Fosse Road South to the West, Hinckley Road to the North, Narborough Road to the East, and Westcotes Drive to the South. It contains 660 dwellings (Illustration 9).

To give a more detailed picture of the Renewal Areas, several sources of data have been drawn upon. These include the survey of Leicester's inner area carried out in 1979 by a team from Leicester University (Sills et al, 1982); the City Council's 1983 Survey of Leicester (Leicester City Council, 1983), which was mainly intended to supplement the 1981 Census with data on ethnic origin; 1991 Census ward data (Leicestershire County Council, 1993); survey reports from the declaration and monitoring of HAAs and GIAs in the West End (Leicester City Council Housing Department, various dates); and unpublished data from the first NRA surveys (Leicester City Council, 1990 & 1993).

(2) NRA Methodology in the West End Area

In order to satisfy the criteria for declaration in the Government Circular 6/90 (DoE, 1990), the renewal team in the West End area has done a considerable amount of work to collate and analyse

data from pre-declaration research.

Five major surveys were undertaken during the Neighbourhood Renewal Assessment:

i. External house condition survey:

The condition of properties was assessed by scoring elements of the envelope of the property in relation to the level of disrepair. The scoring measured the present condition of a property, the degree of urgency of remedial work, and a replacement period for each element following remedial work.

ii. Internal house condition survey:

Internal surveys are similar in format to the external surveys with elements relating to the provision of amenities as well as the condition of the internal fabric of the property. Using data gathered from the external survey in conjunction with the internal survey data, the renewal team was able to produce a 'block report' from which assessment could be made of the need for and provisional cost of group repair schemes.

iii. Residents survey (social survey):

This survey was to establish social housing conditions such as the number of people in each household, details of tenure, levels of income, mortgage commitments, households in receipt of benefit, views on the area, and views on the need for the improvement.

iv. Commercial survey:

A postal questionnaire was sent to all commercial users and was designed to elicit the problems faced by firms and shopkeepers and to ask for their views on measures that could be taken to improve the area for their benefit.

v. Environmental survey:

This was related to street lighting, condition of footpaths and pavements, road surface, cartilage

works to property such as facelift schemes, works to rear alleyways and front walls.

Apart from survey works, various kind of consultations were also carried out including inter-departmental research: a steering group was established to draw on a broad base of area knowledge and to utilise expertise on specific matters, including people from environmental health, planning, city engineers (both structure and traffic), recreation and arts, and property services, residents' groups, and local agency involvement. Several public meetings were held with all existing residents' associations, community groups and local housing associations. The major concerns raised in the meetings were security, grant aid work for the elderly, play and nursery provision, and traffic control. Financial institutions and lending institutions in the local area were also contacted with a view to encouraging them in working with the City Council, helping local residents and commercial users.

The local authority expertise provided by the representatives from other departments, and the knowledge of the area contributed by the housing association representatives and local community groups, have been an invaluable contribution in the NRA process. The pool of knowledge and expertise developed at the Steering Group meetings provided a sound basis on which to develop a renewal strategy for the West End area.

(3) Analysis of Housing and Social Conditions in the West End Area

Circular 6/90 set the conditions for Renewal Area Declaration (DoE, 1990). The Neighbourhood Renewal Assessment of the West End showed that the two areas of Daneshill and Westcotes have particularly poor quality housing and associated social problems, which qualify them for inclusion in the current renewal programme.

Table 3: Unfit Housing in the West End Area (1990)

	properties	% unfit*
Daneshill	543	78.0
Westcotes	646	79.0

* This represents properties that are unfit or would qualify for relevant works under Section 112, 113 or 115 of the 1989 Local Government and Housing Act

(Source: Leicester City Council Housing Department, unpublished)

Table 4: West End Social Survey (1990)

	response rate (%)	% of households in receipt of one or more qualifying benefits
Daneshill	25	36.6
Westcotes	30	41.8

(Source: Leicester City Council Housing Department. unpublished)

In Westcotes Ward (which includes Westcotes Renewal Area) and St Augustine's Ward (which includes Daneshill Renewal Area), most housing is privately owned, with relatively high levels of both owner-occupation and private renting. Westcotes in particular has a lot of private rented property, often the housing in the worst condition and the most difficult to improve. Each ward has a small amount of council housing, some 500 properties in St Augustine's and around 300 in Westcotes.

Table 5: Tenure in the West End Area in 1983 and 1991 (%)

	St Augustine's		Westcotes		Leicester City	
Year	1983	1991	1983	1991	1983	1991
Owner occupied	72.0	69.3	70.5	62.0	52.7	57.4
Rented from council	12.6	11.8	7.0	8.7	31.0	27.1
Rented from housing association	2.5	6.7	0.5	3.7	4.3	5.8
Privately rented	12.0	11.1	21.7	24.7	9.3	8.4
Other	0.8	0.8	0.3	0.7	2.6	1.3

(Sources: 1983 Survey of Leicester; 1991 Census Profiles)

Compared with other parts of the inner city, there are relatively few Asians or other ethnic minorities living in the West End. The two wards in question show a different pattern here: with 7.3% Asians, St Augustine's falls well below the City average; Westcotes, with 19.7% Asians, is still lower than average and shows an apparent decline since 1983, contrary to the City trend. It is possible that Asians are moving out of this area, either to Belgrave or Highfields, or into suburban locations.

Table 6: Ethnic Origin in the West End Area in 1983 and 1991 (%)

	St Augustine's		Westcotes		Leicester City	
Year	1983	1991	1983	1991	1983	1991
White	89.4	89.5	72.0	75.8	74.9	71.1
Black	0.3	1.8	1.7	1.9	1.8	2.4
Asian	9.4	7.3	24.0	19.7	22.1	24.2
Other/Mixed Group	0.9	1.4	2.3	2.7	1.2	2.3

(Sources: 1983 Survey of Leicester; 1991 Census Profiles)

A 1989 report on two HAAs in the West End, 'Woodgate North and South Housing Action Progress Report', noted that 90% of households classified themselves as white.

The age profile of the area is generally close to the City average, with one exception. Both wards have a high percentage of people aged 20-29, in particular Westcotes with 28.2% in this category. Together with the high level of private renting noted above, this suggests that the area is home to large numbers of students and other young adults, some of whom share houses as all-adult households. A 1990 report on two West End GIAs, 'Newfoundpool and Tudor Road GIA's - Final Progress Report', noted that the Newfoundpool and Tudor Road areas have a high proportion of elderly people, while the 1989 HAA report stated that '42% of households consisted of people above pensionable age'. At ward level, however, this concentration of the elderly is not apparent, the two wards having much the same percentage of retirement age people as the City as a whole.

Table 7: Age Structure in St Augustine's and Westcotes Wards (%)

	St Augustine's	Westcotes	Leicester City
0-4	8.3	6.3	8.1
5-9	6.7	4.5	7.4
10-14	5.2	3.8	6.4
15-19	5.0	4.8	6.3
20-29	23.4	28.2	17.9
30-39	14.5	15.3	14.0
40-49	9.9	9.4	10.6
50-Ret Age	9.3	9.6	11.3
Ret Age-79	13.3	13.1	14.1
80+	4.4	5.0	3.8

(Source: 1991 Census Profiles)

The 1990 GIA report pointed to a high proportion of families with young children and an increasing number of single parents in the two GIAs, and the 1989 HAA report commented that 'there exists a high proportion of children under 16 and an increasing number of single parent families'.

a high proportion of children under 16 and an increasing number of single parent families'. Looking at the wards, St Augustine's is close to the City average, while Westcotes has a high percentage of single, non-pensioner households (which partly confirms the observation above on students and young adults), but relatively few single parent households.

Table 8: Household Composition in St Augustine's and Westcotes Wards(%)

	St Augustine's	Westcotes	Leicester City
Single pensioner	17.9	15.1	15.4
Single non-pensioner	15.3	27.0	13.8
1 Adult with child(ren)	5.2	3.0	6.1
2 Adult with child(ren)	18.6	12.4	18.7
Other households	43.1	42.5	46.0

(Source: 1991 Census Profiles)

Indicators of poverty give a similarly mixed picture. The level of unemployment in both wards has been below the City average since 1983. However, St Augustine's includes one postcode area (LE35) with 14.8% of the resident workforce of working age unemployed, slightly higher than the overall City rate.

Table 9: Unemployment in 1983 and 1991 (% economically active)

	St Augustine's		Westcotes		Leicester City	
Year	1983	1991	1983	1991	1983	1991
Unemployed	11.9	10.6	11.0	12.3	15.2	13.6

(Source: 1983 Survey of Leicester; 1991 Census Profiles)

The 1991 Census showed that the two wards still have housing conditions worse than the City average in some respects. Both wards show higher than average lack of basic amenities, while Westcotes has a particularly high level of shared amenities (also consistent with the picture of many students and young adults households).

Table 10: Housing Condition in the West End Area in 1991 (%)

	St Augustine's	Westcotes	Leicester City
No bath or shower	0.6	0.6	0.3
Shared bath or shower	0.3	3.9	0.6
No central heating	23.9	30.7	17.3
Overcrowded	2.0	3.0	3.8
Rooms per household (no.)	4.86	4.59	4.9

(Source: 1991 Census Profiles)

The picture that emerges of the NRA area is of a part of Leicester's inner city that is in many respects close to the average profile for the City, but wider knowledge of the West End suggests that the social and housing market functions of this area are quite distinctive within the inner area. The level of owner occupation is high, and incomes appear to be slightly above average for the inner area. Both of these factors would appear to be favourable for the take up of grants and the success of housing renewal. However, the type of people living in the West End and their reasons for living there are very different from both Belgrave and Highfields, the areas which have responded positively to grants in the past. In addition to the different population, the new means test and more complex procedures for implementing housing renewal mean that demand for grants is very difficult to predict. The West End will therefore be an important test case for the new housing renewal policies and procedures over the next few years (Brindley & Wei, 1994).

(4) Three year RAs progress in West End

The major progress in West End area to date has been in two aspects: house improvement and environmental improvement. Since declaration in November 1990 until the end of 1993, in Daneshill RA 223 properties have been improved and a further 24 are in process; in Westcotes RA 144 properties have been improved and a further 79 are in process (Leicester City Council, 1994). Environmental improvement in the area is dealing with front wall and rear wall repairs, brick-

cleaning and road re-surfacing. This has already had a noticeable impact on the local environment (Photos 1).

2.4 Summary and Conclusions

2.4.1 Major Influences on British Housing Renewal Policy

British postwar renewal policy dates from the 'Operation Rescue' White Paper of 1953, and the subsequent Housing Act of 1954. It has progressed through several 'landmark' Housing Acts, including those of 1969 and 1974, and most recently that of 1989 which has substantially revised the policies of the 1970s and 80s. During this 40 year period there has been a marked shift in the underlying attitude to the neighbourhood, and current policy closely links housing renewal with the regeneration of urban neighbourhoods. What lies behind this long term shift in the basis of urban renewal, in which the neighbourhood has become progressively more important as a policy focus? It is suggested that there are three broad factors, which can be summarised as social, political and economic (Brindley & Wei, 1994).

(1) The Social Factors

The social factors are complex but amount to the urban neighbourhood having become socially more 'problematic'. Inner city decline has led to an increase in urban poverty and homelessness, and in many areas a concentration of socially marginal groups (Fainstein et al, 1992). In other areas, the white working class population has been partly or wholly replaced by ethnic minorities, who have formed cohesive communities. There have been periodic conflicts, sometimes explosive riots, involving both of these groups of inner city residents, and a growing problem of urban crime. Although these groups may have very different conditions of existence, from the perspective of the state they both represent a need for active social management. It is no longer possible to ignore the urban community, so policy has come to focus on its living conditions.

(2) The Political Dimension

The political dimension is the long term legacy of the urban protest campaigns of the 1960s and 70s (Lowe, 1986), which in many areas revitalised neighbourhood politics. From consultative approaches to planning, to the decentralisation of council services, the neighbourhood level has

become more significant for local and central government (Stoker, 1991). Local residents are more politically aware, and often politically sophisticated, so that councils can no longer impose draconian policies like slum clearance on unwitting and passive clients. Neighbourhoods have effectively demanded, and gained, a say in their future.

(3) The Economic Dimension

The economic dimension being considered here is only partly economic, as it also has social and political aspects - that is the changed ownership of inner city housing. Taking the broad phases of neighbourhood renewal policy, one factor stands out as running closely in parallel with policy changes. In 1951, owner occupation stood at 29% of the housing stock in England and slum clearance predominated; by 1971, it had reached 53% and some older housing was being saved; by 1991 it was 69% and virtually all older housing was being retained (DoE, 1993). The specific trend in the ownership of older housing is more difficult to quantify, but it is probably even more marked since so little of the older stock has been owned by local authorities. Most older housing was privately rented - in 1914, for example, almost 90% was in this tenure - and most of this has been bought by owner occupiers. The consequence is that over time renewal policy has had to deal more and more with individual owner occupiers. Even the worst housing has moved into this sector - by 1986 over half of the houses classed as in 'poor condition' were found to be owner occupied (Perry, 1991).

The interests of owner occupiers and landlords might appear to be the same, at the simple level of investment values, but socially they are quite different. In the past landlords' interests were generally condemned as socially unacceptable, even by the Tory party. They were seen as a pariah group, exploiting their tenants' basic need for shelter. Owner occupiers, on the other hand, have a direct personal interest in their property which is seen as highly legitimate, and is today a central value supported by all parties. They have made major investments, and expect to receive generous compensation if their property rights are infringed, and these are well protected in law. Property values are largely a function of the neighbourhood and its place in the housing

market, so the domination of urban neighbourhoods by owner occupiers has totally changed the environment for renewal policy over the past forty years.

It appears that it is the changing housing market in the inner city that has driven policy developments. In the 1950s, the market was artificial and inefficient - rents were kept low, landlords generally could not make profits, and they failed to maintain property standards. The state acted to replace the market, with subsidised council housing. During the 1960s, a market for owner occupation gradually emerged in the inner cities and state intervention to replace that market was checked. By the late 1980s by far the majority of older housing was owner occupied and the project to replace the market with council housing had been abandoned, indeed reversed. In the light of this analysis, the reference in Circular 6/90 to the need 'to preserve a low cost housing market' (DoE, 1990) as a criterion for assessing renewal options takes a dominant place.

2.4.2 Major Factors Influencing Impact and Effectiveness of Policy

It is crucial to comment on the deterioration of the housing stock using base data from the 1981,1986 and 1991 EHCS, otherwise it is not possible to know at least in outline what is happening to the stock in overall terms.

(1) Major Findings from English Housing Condition Surveys

Table 11: Findings from English Housing Condition Surveys (1981, 1986, 1991)

Year	1981		1986		1991	
Total dwellings (thousand)	18,067	100%	18,954	100%	19,700	100%
Lack amenities	965	5.0%	543	2.9%	205	1%
Unfit	1,138	6.3%	1,660	8.9%	1,500	7.6%
Serious disrepair	1,178	6.5%	1,113	5.9%	1,420	7.2%

(Sources: DoE, 1978a, 1983, 1993a)

i Changes in Housing Condition since 1986

The 1991 English House Condition Survey (DoE, 1993a) revealed that the number of unfit dwellings in England and Wales has declined, but houses with problems of serious disrepair have gone up; in the long term, the number of unfit dwellings has not declined since 1971. The major change in housing condition is a steady decline in the number of properties lacking amenities.

ii Aging stock

In 1991, 88% of the dwellings built between 1871 and 1918 were still in use; and 40% of the private sector stock was built pre-1919. By the end of 1991, 5.5 million dwellings in England and Wales were over 100 years old. At the present rate of clearance which is estimated at 3,000 houses in the whole country in 1990, existing housing will have to last 3,000 years.

iii Households in poor condition and older housing:

The 1991 EHCS also disclosed that households headed by someone aged over 75 endure the worst housing conditions; in overall terms, most young single people were also badly housed; households headed by someone from the New Commonwealth or Pakistan were also more likely to be living in bad conditions. There is a clear correlation between poverty and poor housing conditions.

(2) The Effectiveness of Housing Renewal Policy

The evidence from the EHCS 1991 seems to show that, at the national level, housing renewal policies have failed to reverse older housing deterioration. For the past 20 years older housing policies have been based on renovation grants, area improvement initiatives and residual slum clearance. Although this has met with varied success what it has not done is deal with the worst housing and the underlying causes of the lack of investment leading to disrepair. Earlier emphasis on improvement and amenity provision has now given way to a concern for poor repair, particularly since 1990. Yet despite the payment of nearly £2 billion in renovation grants during the 1971-1991 period, housing conditions overall remain about the same (DoE, 1978a, 1983, 1993a). Previous policies have been delivering some success in area-based approaches, e.g. renovation grants have been instrumental in reducing the numbers of properties lacking basic amenities, but they have been less successful in tackling the basic problem of disrepair. There are a number of reasons for this, with five of these appearing to be the most important:

i Too little clearance:

The average house will have to last three thousand years at current replacement rates. Slum clearance rates have now fallen so low, down to 3,200 homes in 1990, that it has to be questioned whether it is any longer government policy to replace houses that are too dilapidated to be improved. Maintenance investment should treat housing as a renewable asset and replace it when it is obsolete or worn out, although this would involve a major rethink on the future of the inner urban areas, particularly those reprieved from the path of the bulldozer in the 1970s. Nevertheless serious consideration should be given to whether or not a modified 'slum clearance' approach would be totally unacceptable.

ii The valuation gap:

The local market may not reward investment in the renovation of property. If housing conditions are generally poor in an area or 'sub-market' then the increase in value of a fully-maintained house may be considerably less than the cost of improvement and repair, even when grant aided. This is

generally referred to as the 'valuation gap' problem. The worse condition the house is in, the greater the disincentive to unsubsidised maintenance investment. If there is a sufficient size and quality range of housing in a particular market area owners who wish to obtain better housing can trade up. Why should someone invest in rehabilitation, grant-aided or otherwise, in a low quality house in a low price 'sub-market' when they can buy a fully improved one, possibly at less overall cost, in an adjoining area? These considerations may be particularly pertinent for second-time purchasers who are trying to improve their conditions while looking for a larger property in which to raise a family. The likely prospect in such poorer quality areas is for continuing low-income occupation and hence low price demand with a subsequent depressant effect on the prospects of maintenance investment and renovation.

iii Low income owner occupation:

Income is related directly to poor housing condition. The 1986 EHCS showed that 45% of owner occupiers living in 'poor condition' dwellings had incomes of less than £6,000, with 27% on incomes of less than £3,000. According to the 1991 EHCS, more than 40% of owner occupiers living in 'poor condition' dwellings had incomes of less than £4,836 per year (DoE, 1993a). Also many households on higher incomes will be sustaining mortgages which will not permit substantial additional advances for renovation purposes. Even with grant aid, the cost of rehabilitation of poor property may still not be affordable, or would still be uneconomic in 'valuation gap' terms, for those households on lower incomes prepared to carry out the work.

iv Lack of awareness of poor house condition:

Many households assessed as living in poor conditions may be reasonably satisfied with their current level of incomes and physical housing circumstances. For instance, elderly households have generally been shown as reluctant to carry out major renovation work, particularly anything that affects the inside of their dwelling . Another reason is that they normally are reluctant to commit part of their limited savings for maintenance of their housing, and such households often

limit the scope for improvement work in local areas.

v Reluctance of private landlords:

Private landlords do not generally invest in major rehabilitation unless it is in their commercial interest to do so, or unless they are forced to make a decision because the future of their property is at risk of statutory action. Grants in their present forms do not usually enter into these investment considerations.

McCulloch (1989) has argued that a number of policy changes are required to deal with these shortcomings. The grant system under the LGHA 1989 should be revised, especially the means test, which should be extended to take into account actual ability to finance a loan for the work including assessment of present mortgage repayments; a different approach would be required for private landlords. Almost all of the housing stresses are found in the inner city areas, which are occupied by most of the low-income working class households. For those owner occupiers, it is necessary to assess their actual ability to make a contribution towards the cost of renewal work. It is very likely that under the existing system, most low-income households who live in the most disadvantaged areas in the inner city will still suffer due to lack of financial resources to improve their living conditions. Some of them who might have qualified under the previous grant system will lose under the 1989 Act because of the 'mean' means test. Hence for those on lower incomes, not earning or retired, there is little alternative than a continuation of the renovation grant system in a modified, targeted form to assist those in poor housing with limited means. The overall intention should be to produce a positive incentive to housing renewal for those living in poorer older property with restricted resources. It is important to encourage both public and private sectors to participate in housing renewal and improvement. Missing either of these parties could put housing renewal programmes in jeopardy, or at least lead to inefficiency. It is also equally important to give special consideration to the most needy and those who live in the worst areas of the inner city.

The new legislation of the LGHA 1989 also has its positive effects. Through the introduction of Renewal Areas (RAs) and Neighbourhood Renewal Assessment (NRA), it put more emphasis on the regeneration of urban neighbourhoods. The Act has urged local authorities to study the community as a whole through a series of standard surveys, and to develop a programme of phased designation of smaller Renewal Areas worked out as appropriate to the social and physical conditions. In some ways this is just a restatement of the earlier gradual renewal policy - Morris (1990), for example, has called it 'the rebirth of area renewal' - but several factors point to a much greater emphasis now given to the neighbourhood. These include the inclusion of non-housing uses (shops and businesses) in renewal programmes ('functional' neighbourhood criteria); the use of socio-economic factors in defining and assessing areas ('homogeneous' neighbourhood criteria); and the importance of consultative processes ('community' neighbourhood criteria). Circular 6/90 (DoE, 1990), which provides local authorities with detailed interpretation and advice on the 1989 Act, refers to the need 'to draw boundaries around cohesive neighbourhoods', to 'encompass physical facilities which are related to the social, commercial and industrial functions of the area', and 'to accommodate the social and community networks' of the area. The physical and environmental, functional and sociological dimensions of neighbourhoods are all strongly emphasised in this policy (Brindley & Wei, 1994).

Part Three: Chinese Housing Renewal Problems

In Part Three the problems of older housing renewal in China are studied, in the context of the country's recent housing and economic reforms. It begins with an overview of reform in China since the launch of the 'Open Door' policy in 1979, moving directly to a study of housing and urban conditions in Shanghai and the city's recent housing reform initiatives. A detailed case study of an inner city area of Shanghai is presented which indicates both the urgent need and the potential for housing renewal. The prospects for housing renewal are considered in the context of the emerging market economy.

3.1 Housing and Economic Reform since 1979

3.1.1 Housing and Economic Reform in China since its 'Open-Door' Policy

The housing programme is a part of China's cradle-to-grave social welfare system, and also one of the biggest issues faced by Chinese policy makers. Over the past 15 years China has witnessed the world's largest residential building spree. Between 1978 and 1990, China spent 8 per cent of its gross domestic product and 30 per cent of its fixed capital investment on the creation of housing. Over that period nearly 150 million m^2 of living space were added annually, with the result that the total floor space of the housing stock in urban areas has been doubled (Holberton, 1992).

However, in recent years, new housing development in several major cities has taken the form of 12-14-storey high-rise blocks. Most regrettably, the Chinese equate high buildings with modernisation and progress, the more and the higher the better. It is inevitable that the essentially horizontal character of Chinese cities has been seriously marred, much of the traditional courtyard housing has been swept away, many urban neighbourhoods have been destroyed, and the existing social fabric has been seriously disrupted. Other urgent housing issues in China's urban areas include huge maintenance costs, the increasing demand for new housing by many concealed households, and the physical deterioration of the housing stock. Hence as China travels further down the road of market-orientated reforms, housing reform is imminent. A healthy housing reform in China will further help its national economic reform, but a failure of reform could lead to economic and political disasters.

As far as China's housing reform is concerned, although it has been taking place in some of its major cities for nearly five years, the reform itself is complicated by many aspects.

Firstly, there is the problem of the existing housing system. Because Chinese social welfare and housing policy were designed in the 1950s, they are not only centralised, but also based in the workplace. Co-ordinating reform therefore requires balancing various bureaucratic interests, both at a national and a provincial or city level.

Secondly, and most importantly, there are the political implications of housing reform, especially in the cities. China's current welfare policies were originally designed to provide not only economic support for, but also political control of, the population. Chinese city workers are assigned to a work unit, which circumscribes their daily life. The work unit provides housing, health and education; it also approves marriage. Within the unit is stationed the public security bureau whose job is to monitor and maintain files on the political attitudes of the workers.This is a powerful system, therefore, any reform or either social welfare or social control will have implications for both.

The third aspect complicating China's housing problems is the low rent system. Currently households in Chinese urban areas devote only 1 per cent of their monthly income to work-unit-provided housing. Consequently, there is no incentive for consumers to align their demand for housing with their ability to purchase it. In China, housing is produced and financed by a supply-driven system that bears little relation to cost and recovery. In most market economies the ratio of average house prices to average annual income is between 2:1 and 6:1 (Holberton, 1992). In China the ratio can exceed 20:1, so the rents required to fully recover the cost of investment could be more than 70 per cent of average household income. Hence under the current housing system in China, rents are insufficient to pay for even minimal housing maintenance and repair. The average inflation rate in China is around 15% annually, and the central government has provided huge compensation for urban households since 1980 in the form of housing subsidies. Between 1978 and 1988 the value of subsidies has risen from ¥4.7 billion to ¥58.4 billion, an 11.5 fold increase (Holberton, 1992). If this is allowed to continue China could face a financially crippling bill for new housing within a decade to deal with the replacement of its urban housing

stock.

Other unsolved outstanding issues in China's housing reform include property rights, the diversification of housing producers, and the creation of housing finance institutions based on prudent criteria. In Shanghai, where housing reforms have gone deepest, various market-linked housing reforms have been introduced since early the 1980s. Rents have been raised and home ownership has been introduced on a trial basis. The reform scheme mobilises savings at negative real interest rates and re-lends at slightly higher rates, subject to owners repayment conditions and a mortgage repayment schedule of 10 to 15 years. But home ownership is still very low as most of the tenants are not convinced of the advantages of being a home-owner, and some lack confidence in the political situation.

Recently China's economists concluded a study, China: Implementation Options for Urban Housing Reform. It warned that without an urgent and comprehensive reform of China's housing policies, any attempts to further modernise the economy could fail. The study argued that in most market-led economies, the ability of business enterprises to restructure themselves in response to market signals requires that firms be allowed to adjust the size of their operation, the nature of their products, and the location of their plants, while adding or shedding workers as necessary. To achieve this a housing market must emerge that operates in a significantly different manner from the China's existing administrative allocation model (World Bank, 1992).

3.2 Older Housing in Shanghai

Shanghai is China's biggest industrial city. Its urban area is currently facing many problems, such as a serious housing shortage, rapid deterioration of the older housing stock, over-crowding, environmental pollution, and inadequate infrastructure services. These problems have arisen from the two major development periods of the city since 1842, the year it was opened as a foreign trade port. The city experienced rapid spatial expansion and population growth in the pre-1949 period, characterised by a 'laissez-faire' approach. In contrast, its development in the socialist post-1949 period has been under the rigid political and economic control of the central government. Housing, like many other issues, had the same fate for most of this period. Housing production was very slow and under bureaucratic control before the 1980s. Since then, especially the introduction of the 'Open Door' policy, Shanghai has built nearly twice the supply of housing stock available in 1949 (Shanghai Housing Administration Bureau, 1992). Despite the achievement in quantity, the housing quality is very basic. Housing conditions in Shanghai are presently among the worst in China, in marked contrast to the city's economic success.

Housing problems in Shanghai have been identified in both old and new housing. The old housing is normally called 'Old Lirong Housing' and 'New Lirong Housing', which originally developed from the concept of the terraced house, and was built from the late19th century to the 1940s. This housing accounts for 40% of the total stock and accommodates nearly 45% of households in the inner city. Many of these old houses are in a state of disrepair and lack modern amenities. Their poor condition includes small interior spaces, overcrowding, shared use of facilities, and deterioration of the housing fabric. Concerning the social aspects of these old houses, most of them are an integral part of the great Shanghai urban tradition and still represent the most popular form of housing in Shanghai. They are flexible in the use of indoor and outdoor spaces and foster social interaction and a sense of family amongst residents within a clearly defined territory (Wei & Brindley, 1995). Apart from the problems of old housing, many new houses constructed after the 1950s are also very badly maintained. They mainly take form of five

to six story blocks and are built of concrete. Some of them are self-contained flats, especially those built after 1980. The problems in these new houses and flats are mainly lack of adequate maintenance, shortened theoretical life span, and increasing costs of housing repair.

Most of these houses are now owned by the Shanghai Housing Administrative Bureau, and some are owned by various work units.

Rehabilitation of the deteriorated old housing stock has recently been recognised as an urgent task by the Shanghai Municipal Government. But in most cases, where action has been taken, rather than rehabilitate them the authorities have demolished them completely to make room for redevelopment. Like most of China's policies, housing and urban renewal policies are always associated with and motivated by financial and commercial interests. Owing to sky-high land values in the inner city, many old houses and neighbourhoods have been or are about to be bulldozed without any consideration of the social consequences. As an inevitable result, many of the inner areas of Shanghai are now undergoing dramatic change, many existing neighbourhoods and communities have been destroyed and thousands of residents have been relocated, some of them unwillingly, to suburban areas of the city. In these suburbs physical living conditions have been improved but social conditions are much worse as the provision of community services, education, health care, shopping, etc. are utterly inadequate (Wei & Brindley, 1995).

3.2.1 Historical Background and Urban Development in Shanghai

The city of Shanghai has nearly 900 years of history. The earliest traceable date of the establishment of the city was 1267 in the Nan-Song Dynasty (Zhao, 1993). By 1533, in the Ming Dynasty, Shanghai's city wall was erected protecting the city from being attacked by Japanese pirates. During the Qing Dynasty 1644-1911, a 'Closed Door' policy was imposed which had severe consequences for China's development, including that of Shanghai. Historically, Shanghai has enjoyed several prosperous periods, but it never had a breakthrough from a small

local township in both physical and regional terms until the "Opium War"of the 1840s.

(1) The Major Stages of Contemporary Development in Shanghai

The historical development of the city of Shanghai can be divided into the following three stages:

i. Stage One: from the 'Opium War' to the end of the 'Civil War',1840-1949

The 1840 and 1846 'Opium Wars' were most important events in modern Chinese history and had far reaching impact on Shanghai's development. As the result of losing the wart, five coastal cities were required to be open as free trade ports, and Shanghai was one of these. Because of the fast growing trade volume, the economy and population of Shanghai increased dramatically. After that, during 1846-1914, a large area of Shanghai was also designated as foreign concessions covering almost 33 km^2, 15 times as big as the native Shanghai Town. The following year's 'Morgan Treaty' enabled foreign investment directly for manufacturing industry in China. The huge investment from overseas created large numbers of foreign enterprises as well as Chinese domestic ones. By the 1930s, Shanghai was the most important city in the nation's commerce, and one of the premier centres of trade, transport and industry in the world. In the city centre there were 30 foreign banks and 80 domestic banks, of which 58 were headquarters. Shanghai was now the economic capital of China and the second financial centre in the Far East (Zhao, 1993). The outbreak of the Second World War marked the end of the greatest prosperity Shanghai had ever enjoyed. Many institutions, key factories, and professionals as well as skilled workers moved to the south west part of China, many foreign and domestic enterprises either closed down or withdrew, war time refugees flooded in from northern China, and the city suffered long term chaos. During 1946-1949, the 'Civil War' between the Communist Party and the Nationalist Party made rebuilding Shanghai financially and politically impossible, although there were some very ambitious and grand scale urban plans proposed.

ii. Stage Two: liberation of China and the 'Cultural Revolution' period, 1950-1976

When the Communist Party came to power in late 1949, Shanghai became a political and

economic centre of the new state. Under a rigid state-planned economy which was adopted mainly from the former Soviet Union, the policy of balanced growth across the country regardless of its existing conditions saw much of Shanghai's productive capability being used to help other regions' and cities' development. This was done by providing the central government with significant financial resources, and it is acknowledged that the contribution from Shanghai every year accounted for 10%-17% of national GNP (although the city had only 1% of the population), and supplying enormous manpower, expertise and industrial hardware. Furthermore, Shanghai was also weakened by international economic sanctions and the long term 'Closed Door' policy of the Communist regime. The political disturbances during the 'Cultural Revolution' period, brought construction and development work virtually to a halt. Shanghai began to decline with its narrow focus mainly on heavy industry, leaving behind huge problems of aging technology, enterprises and an alarming deficit of infrastructure.

iii. Stage Three: after the 'Open Door' policy, 1977 -present

In 1979, the Chinese Government introduced economic reform and the so-called 'Open Door' policy, thus ushering in a new era for Shanghai and China as a whole. In 1984, Shanghai along with thirteen other coastal cities were permitted to open up trade with the outside world, and in the same year that the 'Urban Plan of Shanghai' was launched. By taking advantage of this new policy, the redevelopment of Shanghai has gradually gathered strength, several major civil projects have been started or completed, such as new bridges across the Huang Pu River, the Shanghai Underground System, a new outer ring road, a new railway station and a new international airport. The latest move is the ambitious plan for the Pu Dong development, the east part of Shanghai which covers 350 km^2 with total planned investment of more than ¥100 billion between 1990 and 2000. The Pu Dong area will be the major focus of development in Shanghai in the 1990s.

(2) Profile of the Current Housing Stock in Shanghai

In 1990, Metropolitan Shanghai covered 6,340.5 km^2 with a total population of 12,833,000.

There are 12 Districts covering the urban areas and 10 Counties covering the rural areas within this administrative boundary. The urban area of Shanghai covers 748.71 km^2 of which 280.45 km^2 is in the inner city, accommodating nearly 8 million people. The average size of family is about three persons per household (Zhao, 1993).

i. Description of the Housing Stock in Shanghai:

The picture of housing conditions in Shanghai is gloomy. In 1990, the total housing stock in the city was 89 million m^2, of which the older substandard houses (the Old Lirong and New Lirong housing) accounted for 36 million m^2, nearly 40% of total housing stock. Living conditions for most households in Shanghai is very much down-to-earth: at the end of 1992, the average living space in Shanghai was 6.6m^2 per person. And in the inner city area there were about 300,000 households whose average living space was below 4m^2 per person. The provision of amenities is very poor, and with the rate of self-contained flats/houses at 40% most households have to share some very basic amenities such as the kitchen and bathroom. The infrastructure is also extremely primitive, only 54.2% of households have their own gas supply, and 45.8% have to use dated coal-fired cooking pots which are the major cause of environmental pollution (Shanghai Housing Administration Bureau, 1992).

Housing in the Shanghai urban area can be divided into the following seven types on the basis of their date of construction, structural stability and architectural quality:

a. The first type is shanties. They were largely built in the late 19th and early 20th centuries, they have serious structural defects and health problems. Today they still account for 1.38% of the total housing stock.

b. The second type is Old Lirong housing. This was built between 1853-1926 of timber or brick structure, without adequate amenities. It was originally built for working class/lower class people in the urban area. Most of these houses now have structural and internal functional problems (see Illustration 10). This type of housing is considered appropriate for renewal or redevelopment, on the grounds not only of its existing condition, but also because of the number of residents involved and the associated economic, social and environmental issues. In 1990 it represented 34.46% of the housing stock.

c. The third type is New Lirong housing, built between 1927-1946 with reinforced concrete structure and timber floors, and equipped with modern amenities (Illustration 11). It was built for middle-class people with reasonably high standards. This type of housing also has the potential for renewal and improvement. Today it is in fairly good condition and amounts to 5.33% of the stock.

d. The fourth type is detached and semi detached garden houses. They were built exclusively for upper class people during 1843-1949, with luxurious facilities and decorations. Each house is 2 or 3 storeys high and built of various structures, with a spacious garden (Illustrations 13 &14). Today they are about 1.78% of the housing stock and largely occupied by senior government officials or as a governmental premises.

e. The fifth type is Old Apartments, built during the 1930s and 1940s, and showing the architectural influence of the Modern Movement. Originally built for city high flyers, sometimes as second homes for middle and upper classes, as they were close to the work place. Today some of them are still used for residential purposes but some of them have been converted into old-style hotels. They account for 1.33% of the total stock (Illustration 15).

f. The sixth type is New Flats. Flats built in the 1950s were mainly brick structures, but at

present are widely constructed of concrete, similar to housing in former Communist Eastern European countries. Currently most of them are built as self-contained flats with their own toilet and kitchen. They account for 54.87% of the stock.

g. The last type is the temporary housing converted from other types of building such as industrial buildings. Although their numbers are small, just 0.85% of the stock, they are absolutely not suitable for human habitation.

ii. Profile of the Housing Stock

The table below shows the details of housing stock in Shanghai in 1990:

Table 12: The Housing Stock in Shanghai 1990

Type of Dwellings		Quantity	Proportion
Type I:	Shanties	1.23 million m^2	1.38%
Type II:	Old Lirong Housing	30.67 million m^2	34.46%
Type III:	New Lirong Housing	4.74 million m^2	5.33%
Type IV:	Detached/Semi-Detached	1.58 million m^2	1.78%
Type V:	Old Apartments	1.18 million m^2	1.33%
Type VI:	New Flats	48.84 million m^2	54.87%
Type VII:	Others	0.77 million m^2	0.85%
Total:		89.01 million m2	100%

(Source: Shanghai Housing Administration Bureau, 1992)

The proposals which follow in Part 4 for a housing renewal strategy in Shanghai are particularly concerned with the old Lirong housing and the new Lirong housing. The strategy also includes reference to some of the new flats, owing to their quantity, their current housing condition, the urgency of the need for housing renewal, the large number of occupants, and their social and

economic context.

3.2.2 Housing Renewal Programmes

Before making proposals for a strategy for housing renewal in Shanghai, it is necessary to examine and analyse previous housing renewal programmes, to identify the key problems and issues. For more than 40 years housing renewal programmes in Shanghai have been through several phases, linked with the phases of urban redevelopment (Wang, 1993).

(1) 1950s: Improvement of Infrastructure and Public Health and Safety

The first phase is in the 1950s, when the newly established People's Communist Government had very limited financial resources. Hence the renewal of urban neighbourhoods in Shanghai mainly concentrated on improvement of infrastructure, public health and safety, and reduction of fire risk in the slum areas and shanty towns. As the slums and shanties normally had no fresh water supply or sewerage system, they did not meet fire protection requirements. The major work during that period was investment by the Shanghai Municipal Government to widen the fire protection paths between rows of slums, lay fresh water supply pipes and sewerage networks. The public health and safety of residents who lived in five of the worst areas of the inner city were fundamentally guaranteed - the five areas were Zha Bei industrial estate in the north, Yang Pu industrial estate along the lower Wang Pu river in the north-east, Hu Nan industrial estate along the upper Wang Pu river in the south, and Hu Xi industrial estate along the Su Zhou river in the west (Illustration 16).

(2) Early 1960s: Clearance of Shanty Towns and Development of New Blocks of Flats

In this period, the national economy enjoyed some modest development, hence the emphasis of renewal of urban neighbourhood was shifted towards property itself, and the improvement of physical housing conditions was first on the agenda. The worst shanties were demolished to make room for new blocks of flats. A typical example is the clearance and redevelopment of Fan

Gua-long in Zha Bei District. Financed by the Municipal Government, the redevelopment bulldozed whole slums and shanties in the area and replaced them with new blocks of flats, typically 5-6 storeys high, each floor with 4-5 self contained flats. The legacy of today's blocks of flats in Shanghai was laid down during that period.

(3) 'Cultural Revolution': A Stagnant Period of Housing Renewal

The renewal and reconstruction of urban neighbourhoods ceased when the so-called 'Cultural Revolution' took place in the late 1960s and mid 1970s. As the governmental policies ran out of control, together with a chaotic situation up and down the country, some cheap flats were built which were purposely designed for sharing amenities and other internal common spaces. They were built in the western part of Shanghai where some of the best high standard houses were located. These cheap low quality flats marred the existing character of the area, destroyed local communities, and swept away trees and green spaces.

(4) From Late 1970s to 1990s: Comprehensive Redevelopment

With the experience of previous practices and projects, the renewal of urban neighbourhoods in Shanghai came to a new stage with respect to the planning and scale of the work. After the introduction of the 'Open Door' policy in 1980, and the declaration of Shanghai as one of the special economic cities in 1984, the State Council set up a series of regulations concerning urban planning and development, and it endorsed the 'Plan of Comprehensive Urban Reconstruction of Shanghai' (Wang, 1993). Several distinctive features can be identified in this contemporary stage:

i. Concentration

The renewal works are more concentrated on certain areas with many properties involved. According to Shanghai's 1984 plan, 23 areas in the inner city were designated largely for redevelopment, some for renewal. The programme covered an area of 415.7 hectares containing 124,700 households, together with some 1,387 industrial properties. Between early 1984 and

early 1986, 3.31 million m^2 of floor space were demolished, and 8.24 million m^2 of new buildings constructed. Some 150,160 households were rehoused, and 692 industrial enterprises were relocated (Shanghai Housing Administration Bureau, 1992).

ii. Large-Scale Redevelopment

The second important feature is the large scale of redevelopment. During the 'Seventh Five-Year Plan' (1986-1990), redevelopment of the inner city area of Shanghai increased its scope by taking into account a requirement for reconditioning the urban infrastructure. During that period some 4.08 million m^2 of housing were pulled down, and 117,000 households were displaced. As a result 648 hectares of development land were obtained through redevelopment. Some 13.38 million m^2 of housing were added, roughly 247,000 flats for nearly 1 million people in the inner city. Because of the scale of redevelopment work, ¥9.2 billion was invested in the period, and subsequently the traffic, environment and landscaping in the inner city have been improved significantly.

iii. Co-ordination of Urban Planning and Housing Construction

The third feature is the co-ordination between urban planning and housing construction. As the inner city is the most dense area with an average density of between 160,000 and 200,000 people per km^2, population in the inner city is strictly controlled and people are encouraged to move to the outskirts where new self-contained residential communities have been built. Decentralisation has lifted the pressures of overcrowding and also provided valuable land for reconditioning the city. A policy was declared that 65% of the displaced households were moved to near suburban areas, 15% were moved to far suburban areas and 20% remained in the inner city (Shanghai Housing Administration Bureau, 1992).

Previous housing renewal programmes in Shanghai have mainly concentrated on slum clearance and redevelopment, leading to forced relocation of residents, rapid disappearance of existing

communities, and disruption of the social fabric. The generally unsatisfactory housing condition is also due to a shortage of maintenance funds. The accumulation of deferred maintenance works and the need to preserve a substantial number of seventy-year-old dwellings and maintain a large quantity of new housing has forced the Shanghai Housing Administration Bureau to adopt a strategy which focuses primarily on repairs and corrective maintenance. Although major repairs and element replacements are supposedly pre-planned, a major proportion of actual expenditure is always used to rectify major functional and structural failures which should have been attended to much earlier on a cyclical or preventive maintenance basis. The problems of inadequate maintenance, if ignored for another decade, will certainly result in many old dwellings becoming dilapidated, and for the new housing will result in a shortened theoretical life span.

The current situation is very clear: although housing renewal in Shanghai has been going on for more than forty years, major housing problems still remain. Older substandard housing still accounts for a third of the housing stock; more than half of the households in the inner city area still have no access to very basic amenities; and about one million residents in the inner city are living in substandard conditions, below 4 m^2 per person (Wei &Brindley, 1995).

3.2.3 Housing Market Reform and Recent Moves towards Housing Privatisation

In early 1990, the Shanghai Municipal Government introduced a housing reform proposal in an attempt to reduce the heavy burden of housing problems, caused by the fact that under the existing system, housing is a part of social welfare provided virtually free by employers (state or working unit) for their employees. The proposal was approved by the Chinese State Council and 24th Congress of the Shanghai People's Representatives Executive Committee on 8th February 1991 (Appendix 1). The major aims of this reform proposal are to encourage private home ownership and to develop a commercial housing market.

(1) The Major Objectives of Housing Reform in Shanghai

The major objectives of housing reform proposals in Shanghai are as follows:

i to increase the speed of solving housing problems through implementation of housing reform;

ii to bring housing production, allocation and exchange systems in line with the 'Socialist Market Economy';

iii to achieve a target average living space of 10 m^2 for every resident in Shanghai by the year 2000;

iv to achieve a target of over 60% of households in Shanghai living in self-contained flats;

v to improve the living condition of households whose average living space is below 4m^2 per person; and

vi to recondition most of the substandard housing in Shanghai together with slum clearance schemes.

The fundamental principles recommended in these reform proposals are to make housing into a commercialised commodity, to phase out the existing low rent system, and to abolish the free housing provision system. The reform proposals suggest setting up financial mechanisms which will allow the state, collectives and individuals to build housing for themselves, replacing the current system where the state and collectives have a full obligation to house their employees. It is also proposed to set up a 'watchdog' organisation which will carry out strategic research, housing management, and closely monitor housing provision.

(2) New Opportunity? Land Lease and the Property Market

In early 1992, the Chinese paramount leader Deng Xiao Ping made an important visit to Shanghai and gave a landmark speech, mainly encouraging the cities to adopt more liberal ways in economic activities and increasing the pace of reform. Under this authorisation, new policies, such as land

lease, have been introduced. These policies created preferential terms specially designed to attract more foreign investment. As an inevitable consequence, owing to the vast scale of urban redevelopment, valuable inner city areas have been bulldozed and many Old Lirong houses and New Lirong houses have been demolished to make way for new development. In these circumstances, economic and commercial objectives have overridden the social and environmental needs, and the existing physical and social environments have been swept away regardless of their condition and with no proper consultation with existing residents. The leased land gained from former old residential areas provides space for the newly established property market. Many high-rise office blocks or luxurious flats have been built at sky-high selling or letting prices, bearing no relationship to the purchasing ability of the vast majority of ordinary Shanghai residents. Shanghai is now ranked the third most expensive city for office rents in the world, next to Tokyo and Hong Kong (Joseph,1994).

(3) The Impact of The New Policies:

Although the reform programme has been implemented for less than 5 years, its impact is already enormous. The issues raised by the reforms include the following:

i. The Reluctance of Potential Home Buyers

Under the new housing reform policy, many residents are asked to buy their existing rented property and to become home-owners. Although most of the tenants have been offered huge discounts to purchase their property, normally self-contained flats, the response so far has been mainly negative owing to political uncertainty and financial disadvantages. Under the current low rent system, rents average ¥15 per month or ¥180 per year; the price of purchasing the flat, although it is only one tenth of the market price, would be about ¥20,000 per flat. Most of the occupants realise that should they have this amount of money in the bank they could receive annual interest of ¥1,800 - ¥2,000, ten to thirteen times as much as their current rent. They are convinced that the government could not raise the rent by such an amount owing to the implications for social and political instability, hence they have no incentive to purchase the flat and

and become an owner-occupier.

ii The Dilemma of Displaced Residents

As a result of land lease, many residents who previously lived in the old Lírong houses of the inner city now have been displaced. It is found that they are frequently rehoused in the near suburban or far suburban areas of Shanghai which causes them many problems such as inconvenient shopping, unreliable public transportation, lack of high standard education facilities, separation from their old communities, and the relatively high crime rate in the new area. But they are overwhelmingly satisfied with their new living conditions, normally a self-contained flat with exclusive use of toilet and kitchen, which was not possible in the old Lirong houses. In the current stage, the quantity of living space and the provision of basic amenities are the main concern of the displaced residents, and they have little choice or argument over their rehousing as the condition of the new flats is so much better than their old ones. Hence although there are growing social problems for the displaced residents in the new neighbourhoods, the government is unlikely to adopt a coherent policy to deal with these issues.

iii Conflict Between New Leased Land and the Existing Urban Context

Land lease is a new term in the newly established market-oriented economy in China, which has brought new commercial development to the inner city area of Shanghai. As a result, some large-scale demolition has been carried out without proper research or any consideration of the environment. Many good condition Lirong houses and their communities became victims of these new policies. On the leased land, new buildings were put up without considering the urban and social context, and it is often found that new buildings stand by the side of shanties.

iv The Problems of Overstretched and Dated Infrastructure

The inner city area of Shanghai is the most dense part of the city, with average population density of 1500 persons per hectare, and its infrastructure has been under pressure for many years. New waves of mass construction have overstretched the system to its very limits. Urban

neighbourhood renewal in Shanghai will be less meaningful without reconditioning and improvement of the infrastructure. Regrettably, new policies have not allocated responsibility for the infrastructure, thus leaving huge gaps between old systems and new demands. As more and more land is leased, the numbers of new buildings are increasing, the infrastructure crisis is deepening and the problems are taking their toll.

The analysis above has produced a brief picture of the alarming housing problems in Shanghai. Although economic reform has been carried out for more than 15 years, new housing production and urban redevelopment have made some impressive progress, and housing reform policy has been implemented for nearly 5 years, housing and urban neighbourhood renewal in Shanghai over the past years have failed to deliver a success story. The fundamental housing problems still remain unchanged, as in the inner city area over a third of the housing stock is substandard housing which accommodates over 45% of Shanghai's urban residents, over 300,000 households are living at below 4 m^2 per person, and most of these households have no access to adequate toilets or bathrooms. Sixty per cent of Shanghai residents have to share very basic amenities, and 46% of households have no adequate gas supply.

Bearing in mind the above issues, a detailed case study in an older residential area of Shanghai was conducted in March - April 1994. The case study includes a housing condition survey of both physical and social conditions in order to provide more detailed and up-to-date information on specific local conditions. Although this is based on a sample survey, covering about 20% of the houses and their occupants in the area, it is sufficient to produce an accurate picture of old substandard housing in the case study area, occupants' preferences and the potential for reconditioning.

3.3 Case study in Shanghai

3.3.1 The Objectives and Methodology of the Case Study

(1) Objectives

The main objectives of the case study are to test the hypothesis and assess the transferability of British housing renewal experiences to the situation of Shanghai; and to investigate the local impact of China's recent economic reform policies, especially housing reform policies. The study includes the analysis of the implications of these policies for the housing and urban neighbourhood renewal programme. The history of inner city development, housing renewal progress and other related subjects are also taken into account. The case study itself includes an investigation of personal housing conditions survey, including both physical and social conditions, in an older residential area of Shanghai. The ultimate objective of the study is to lay the foundation for arriving at comprehensive housing and neighbourhood renewal strategies and possible housing renewal models for Shanghai, and to suggest guidelines for improvement work.

(2) Methodology of Case Study in Shanghai

This detailed local study is based upon adaptation of survey techniques employed in the UK, especially based on the neighbourhood renewal approach of the Local Government and Housing Act 1989. Shanghai was chosen as the case study area because it is the largest industrial city in China with a population of over 12 million, more than half of them living in the inner city area. Shanghai has been a front runner in China's economic reform for more than 15 years and represents many of the current housing problems of the country; it has relatively more research and statistical data than other cities; and a recent housing reform initiative has been introduced by the Shanghai Municipal Government, as described above (Shanghai Municipal Government, 1991).

To provide a test of the hypothesis, the housing condition survey in Shanghai was carried out in

an inner city area with many Old Lirong houses, some New Lirong houses and some new flats (Illustrations 17 & 18, Photos 2). The substandard housing in Shanghai is mainly identified as Old Lirong housing and some of the New Lirong housing, while the problems in new flats are mainly lack of adequate maintenance and cumulative disrepair. The housing external condition survey covers 100%, all 362 dwellings in the area; the housing internal condition survey covers 75 dwellings, 22% of the housing stock in the area; and the social survey covers 360 households, 20% of total 1817 households in the area. The coverage of this sample survey and its results will provide enough evidence to establish the accuracy and originality of the research (Table 25, 26 & 27).

(3) Sources of Data for the Study

The major data and information of the case study were gathered through the following channels:

i. Primary sources

a. In depth interviews with policy makers in the Shanghai Municipal Government, housing administration agencies and departments, housing development companies, academics and professionals at the universities. A considerable amount of high quality and valuable information has been collected and recorded. The interviewees included the following:

Interviews with policy makers in the Shanghai Municipal Government: Mr. Wang Zhi-wei, Director, Institute of Shanghai Housing Administration; and Mrs. Qing Zheng, Group Leader, Research Institute of Shanghai Housing Development. These interviews mainly concentrated on identifying the latest developments of government policies, especially housing reform policy and its impact at the local level.

Interviews with professionals from various architectural practices and institutes: Mrs. Zhang Ming, Chief Architect, Institute of Civic Design of Shanghai; Mr. Cheng Hua-ning and Mr. Cheng Ming-kang, Principal Architects, Institute of Civic Design of Shanghai; and Mrs. Li Lian-xia and Mrs. Zheng Hui-xing, Principal Architects, Institute of Far-East Architectural Design. These interviews were mainly concerned with Shanghai's urban redevelopment, housing development

and old housing renewal, especially professional attitudes towards housing renewal.

Interviews with academics from Tongji University, Shanghai: Prof. Luo Xiao-wei, President, Institute and Association of Shanghai Architects; Prof. Zheng Shi-ling, Vice-President, Tongji University, Shanghai; Prof. Lu Ji-wei, the Head of Department of Architecture, Tongji University; and Prof. Bao Gui-lan, Chief Administration Office, College of Architecture and Urban Planning, Tongji University, Shanghai. As members of staff from Tongji University have been working closely with the Shanghai Municipal Government and actively involved in Shanghai's urban and housing development, the feedback from these interviews covered virtually all aspects of housing development in Shanghai.

b. Site observation, personal survey and ad hoc interviews with local residents. A housing condition survey which covered all 362 dwellings in an external survey, and 75 dwellings, 22% of local housing stock and 360 households, 20% of their occupants in an internal survey and a social survey was conducted in person in the Yu Yuan Garden East Area of Shanghai.

Criteria for sample selection:

The internal survey and social survey sample coincided, the samples being selected to cover the range of dwelling types and occupancy conditions, e.g. dwellings surveyed include large and small, terraced and end-terraced; occupancy conditions included self-contained flats, shared flats and flats in multiple-occupation. The sample was also selected by availability of respondents for interview. While it is not a random sample in statistical terms, it is equivalent to 'stratified sampling' but not statistically rigorous. The survey covers the following aspects: physical condition survey (internal and external survey); and social survey (about your home, personal and family, about your area). The techniques of the housing condition survey were largely based on the techniques of Neighbourhood Renewal Assessment (NRA) in the UK, with certain modifications in line with the situation in Shanghai.

Interview method:

Interviews were based on a questionnaire targeted on specific households; owing to the nature of dense, multiple occupation and Chinese neighbourhood culture, interviews meant open discussion with several participants which created some difficulties in being precise about

respondents' attitudes as individuals. The results record the author's best interpretation of individual 'household' responses. The analysis of the data collected is based on both quantitative and qualitative methods, as explained in the following section (4); the survey questionnaires and the major findings are analysed and presented in Appendix 3.

ii. Secondary Sources

The housing statistical data in Shanghai were also collected from the following sources:

a. Shanghai Municipal Government and its departments

b. Shanghai Housing Administration Bureau

c. Tongji University

d. Shanghai Municipal Library

e. Nan Shi District Council

f. Research papers, articles, documents and circulars (published, semi-published and unpublished)

The aim was to collect as much relevant information as possible because the availability of official information in developing countries such as China is much poorer than in Britain. The difficulties in this study mainly concerned finding out where data on older housing problems were held within the amount of information available. As very few comprehensive housing surveys and studies have been previously conducted in Shanghai, this case study had to be based on a personal field survey and interviews with local residents, previous working and research experience in China and in the UK, and the limited available secondary sources.

(4) The Detailed Survey Methods in Shanghai

The housing condition survey was designed to reflect the true housing physical condition and the occupants' living conditions in the area. The contents and format of the questionnaires used in the survey were designed by author in England, largely based on the techniques of British housing condition surveys, especially Neighbourhood Renewal Assessment (NRA), with certain modifications in line with Shanghai's situation. The housing condition survey includes a housing

external survey, an internal survey and a social survey which covers occupants' home, their living area, themselves and their families. Samples of questionnaire used in Shanghai are shown in Appendix 3.

i. Methods Used in Housing External Condition Survey

The housing external condition survey covers all 362 dwellings in the area. The external condition of every dwelling in the area was examined house by house in person. Each house has its own questionnaire which was filled by the author according to the existing condition. The basis for the assessment of the building condition and its elements such as the roof, external doors, windows, etc. is the author's professional experience, as an architect in Shanghai for many years. The major findings of the external survey are summarised in Table 25.

ii. Methods Used in Housing Internal Condition Survey

The housing internal condition survey covers 75 dwellings, 22% of total 362 dwellings in the area. The 22% sample of dwellings was selected to represent a wide range of dwelling types and conditions. The size of dwellings selected covers large, medium and small; the type of dwellings selected includes self-contained flats, multiple occupation, and shared flats. The internal condition of the surveyed dwelling was examined element by element in conjunction with interviews with their occupants in the social condition survey. Each house has its own questionnaire which was filled by the author according to the existing condition. As with the external survey, the basis for the assessment of the building condition and its elements such as internal doors, windows, fittings, provision of amenities, etc. is the author's professional experience. The major facts of the internal survey are summarised in Table 26.

iii. Methods Used in Social Condition Survey

The housing social condition survey covers 360 households, 20% of the total of 1817 households in the area. The 20% sample of households was selected in conjunction with the selection of dwellings for the internal condition survey, and represents a wide range of

household types and backgrounds. Apart from the pre-designed questionnaires and the author's brief introduction on the nature of the interview, the residents were also shown the questions before the interview was carried out. As expected, many of them were very co-operative and were willing and able to answer most of the questions. The social survey was conducted through face to face interviews by author. The residents were questionned orally in local Shanghai dialect and the results were taken down and filled in on the relevant questionnaires by the author. The tenure of households selected covers owner-occupied, rented from work-unit, and rented from the state; the range of residents selected includes very old people, some middle-aged and some newly weds. The questions in the social survey covered topics ranging from their home, their living area, themselves and their families. The major facts of the social condition survey are summarised in Table 27.

3.3.2 Need for Housing Renewal

(1) The Area Profile

The Nan Shi District of Shanghai has been chosen as the case study area, which is largely made up of old Lirong housing and some new blocks of flats. The area is to the east of the famous Yu Yuan Garden, and will here be referred to as the Yu Yuan Garden East Area. It is bounded by Fu You Road in the north, Dan Feng Road in the east, Wu Tong Road in the south and An Ren Road in the west (Illustrations 17&18; Photos 2).

There are 1,817 households with total population of 5,977 in the area . The total floor space in the area is 42,676 m^2, of which 60% is residential and the rest includes shops, nurseries and schools, and a community centre (Illustration 19). The density of the area is 1916 persons per hectare, much higher than the city average. The ownership of property in the area is typical of Shanghai with a large proportion of the housing stock owned by the State or working units, and only a fraction, 3%, privately owned (Illustration 20). This is a relatively poor area of the inner city, with average annual earnings per person only 60% of the city average (Shanghai's average yearly income in 1993 was ¥6,000 per person). There are a lot of pensioners living in the Yu Yuan

Garden East Area whose children have grown up and already moved to other parts of the city. As the population density is so high, the living conditions and the physical condition of the housing stock are very bad. In most cases they are unacceptable by modern standards and would be judged uninhabitable (Illustrations 21 & 22).

(2) Housing Problems in the Case Study Area

Through the housing condition survey, and in-depth interviews with local residents and officials from the local branch of the Shanghai Housing Administration Bureau, the housing conditions and the major housing problems have been identified as follows:

i The Scarcity of Living Space

The official figure released by the Shanghai Municipal Government in 1992 showed that the average living space in Shanghai was 6.6 m^2 per person. The average living space per resident in the Yu Yuan Garden East Area is only 4m^2, well below the city average. This fact is revealed by the survey and data from the local housing administration branch. In the area almost 38% of households have less than 4 m^2 of floor space per person (floor space includes utility space and living space); for 36% of households the floor space is between 4 and 6 m^2 per person; for 23% of households the floor space is between 6 and 8 m^2 per person (around the city average); a fraction, just 3% of households, have floor space which is the same as the city average of 8 m^2 per person (Illustration 18). Living conditions like these in Shanghai are by no means confined to a few people but include about 300,000 households. According to the current average household size of 3.2 persons per family, this represents almost 1 million people. As a result, the rate of multiple occupation is extremely high (Shanghai Housing Administration Bureau, 1992; Zheng, 1993). The table below shows the living space in the area.

Table 13: Living Space in Yu Yuan Garden East Area in 1994

Floor space* above 8m^2 per person	3%
Floor space at 6-8m^2 per person	23%
Floor space at 4-6m^2 per person	36%
Floor space below 4m^2 per person	38%

(Source: Author's case study survey, 1994)

*Floor space includes living space and utility space

ii Poor Provision of Amenities

In association with poor living space, housing in the Yu Yuan Garden East area also suffered very poor provision of basic amenities. Most houses have no adequate kitchen, no proper gas supply (the local residents rely heavily on out-dated solid-coal cooking pots) and no modern toilets or bathroom. Owing to the serious lack of living space, many utility spaces in the houses have been converted to living spaces. These have no natural ventilation and light, and they make the area a very high fire risk. The survey revealed this situation: 8% of houses in the area have no space for utilities, 34% of houses have little space, and 58% have proper space. The rate of self-contained properties is very low: 35% of households have to share a kitchen, 11% have their own kitchen and 54% are without a kitchen at all. The provision of bath/toilet facilities is even worse, with 90% of households in Yu Yuan Garden East having no proper modern toilets or bath, 5% of residents have to share them, and only 5% have exclusive use of a modern toilet or bathroom.

Table 14: The Provision of Amenities in Yu Yuan Garden East Area

	Self-contained	Shared	None
Adequate space for utilities	58%	34%	8%
Kitchen	11%	35%	54%
Bathroom/Toilet	5%	5%	90%

(Source: Author's case study survey 1994)

iii Poor Quality, Low Standard Housing

Because most of the old housing in the area was built during the end of the 19th century and the beginning of 20th century, for working class and lower class people at that time, the quality, structure and the internal arrangement were poor. For years there have been no systematic programmes of renewal and repairs, and some structural defects were identified. The neglect of care for this old housing was caused by political instability, scarcity of financial resources, and an inadequate housing maintenance system. The housing condition survey showed that most of the old housing needs repair and renovation.

Table 15: The State of Old Housing in Yu Yuan Garden East Area

Housing needs very urgent repair*	5%
Housing needs urgent repair	67%
Housing needs repair	20%
Housing needs no repair at present	8%

(Source: Author's case survey 1994)

* The housing which needs very urgent repair is that which already has serious structural problems and is in a very dangerous condition.

The data above show the alarming state of the old housing in the area. It can readily be seen that renewal programmes are urgently needed and must be top of the governmental agenda.

3.3.3 Residents' Attitudes to Housing Renewal

The social survey covered the social aspects of the case study area, and reflected the local residents' attitudes to their properties, comments on the environment and the future of the area.

(1) The Desire for Better Living Conditions

After years of living in appalling conditions, the local residents' ultimate desire is to live in a self-

contained flat with exclusive use of kitchen and toilet/bathroom and a reasonable quantity of living space. Most of them have lived there for generations and have been sharing some basic amenities with their neighbours for decades. While the neglect of repair and maintenance has made housing conditions even worse, some of the housing is on the verge of collapse and serious structural defects are often seen (Photo 2). The idea of reconditioning the existing housing is very warmly welcomed (Figures 7 & 8).

(2) The Value of the Existing Neighbourhood and Community

Despite very bad living conditions, many residents are proud of the area. The sample survey showed that 59% of the residents would wish to move back to the same area if it was renewed, and 21% would be willing to move to another part of the district. The reasons are predominantly the convenience of its location, good relationships with their neighbours, and the newly established land mark, the Huang Pu Bridge (Figure 9). Housing renewal would provide an opportunity for the local residents to retain their local neighbourhood, as well as contributing to the revitalisation of the local communities.

(3) Comments on the Local Environment

Bad housing conditions are often associated with a bad environment, and many of the residents' complaints concerned environmental problems, including poor provision of street cleaning and waste disposal, lack of green spaces, lack of play grounds for children, and traffic problems. A housing renewal programme is seen by local residents as leverage to improve the environment and raise awareness of the importance of better environmental conditions (Figure 10).

(4) The Future of the Area

Apart from problems of living conditions and housing conditions in the area, most of the residents also made comments on the high population density, with too many people living in such a small area. Many local people suggested that the area must be partially depopulated if a housing renewal programme is to be carried out. At least half of the population has to be relocated in other

parts of the city or in suburban areas if the local density is to meet the Shanghai Municipal Government target, thus providing space for improvement of local housing and living conditions (Figures 11 & 12).

3.4 Summary and Conclusions

3.4.1 The Need for Housing Renewal in Shanghai

The housing problems reflected in the Yu Yuan Garden East Area in Shanghai are only the tip of an iceberg. Some sort of housing renewal has been proceeding in Shanghai for more than forty years, China's economic reform has been underway since the early 1980s, and living standards and average living space per person in Shanghai have improved dramatically, according to government figures. But the comprehensive and sustainable renewal of urban neighbourhoods and the renewal of substandard housing have not been high on the governmental agenda in practice. Some piecemeal attempts at dealing with these problems are often seen, but a successful outcome is rare. The new initiatives in housing reform, the property market, and the privatisation of the existing old housing stock have not been properly researched, hence the consequences and the implications of these new policies have not been scrutinised. The housing problems in Shanghai, and in China as a whole, remain fundamentally unchanged.

From the case study we can draw the following preliminary conclusions on the housing renewal measures which could be taken in Yu Yuan Garden East (Brindley & Wei, 1994):

(1) Reduction of Population Density through Relocation

Yu Yuan Garden East is one of the densest areas in Shanghai with an average population density of nearly 2000 persons per hectare. It is impossible to improve living conditions without a significant reduction in the local population. By taking advantage of new development on the outskirts of Shanghai, linked to the land lease policy in the inner city, some 50% of the local population could be relocated so as to reduce overcrowding in the area, bringing the density down to the target for the city of 1000 persons per hectare.

(2) Slum Clearance for the Worst Condition Housing

Some 92% of the housing in the area needs to be repaired, of which 67% is in need of urgent

repair, and 8% has serious structural defects, rendering it dangerous and uninhabitable. These crumbling properties are uneconomic to repair, hence slum clearance is the only feasible solution. This could involve the clearance of groups of dwellings and of individual unfit dwellings, and would contribute to the reduction of population density.

(3) Retention and Improvement of Better Condition Housing, Regeneration of Neighbourhood

The remaining better condition housing should be reconditioned in order to revitalise the neighbourhood. Several measures could be taken according to the physical condition of the premises such as replacing some elements of the buildings, installing or upgrading of basic amenities, and in addition providing better facilities for the community.

3.4.2 Prospects for Housing Renewal in the Context of Shanghai's Housing Reforms

Housing reform and land lease are new initiatives introduced by the Shanghai Municipal Government in line with the national economic reform policy. From the first time land was leased in Shanghai in 1988 till 1992, 135 pieces of land have been leased with a total of 841.5 hectares and generating ¥12 billion (Shanghai Housing Administration Bureau, 1992). Since 1992 foreign investment has been permitted in urban and housing renewal programmes: during 1992 to 1994 in the inner city of Shanghai 800,000 m^2 of floor space have been demolished, of which 84% is housing, 16% is small factories and shops; 30,000 households have been rehoused and 100,000 residents have had their living conditions improved (Zheng, 1993).

As the economy has been developing so fast, the land in the city area of Shanghai is in very high demand. Currently Shanghai is experiencing a new industrial reconstruction period, transforming its old dated image into that of a modern metropolis. The city has been making great efforts to develop its tertiary sector, namely service industries. At present, the tertiary sector in Shanghai

accounts for only 32.6% of the city's GNP, while it is over 70% in other leading world metropolises. In order to develop the tertiary sector, especially commerce, finance, consultancy and information technology, appropriate locations in the central city are urgently needed. Owing to the fact that most of the old houses are located in these areas, there is an opportunity to establish links between housing renewal programmes and the city's economic revival.

It is very likely, and in some situations it has already been seen, that the implementation of housing renewal programmes in Shanghai will have to exchange the valued old district's land for the improvement fund through the newly established property market. The Shanghai Municipal Government's target is very ambitious, to redevelop and renew around 15 million m^2 of substandard housing in the inner city area by the year 2000. To achieve this target, it would have to lease over 1000 hectares of land in the old districts, which could bring in around ¥ 23 billion. The result would be that some 20 to 30 million m^2 of new housing could be built. If this is to materialise, the inner city area of Shanghai will be changed a lot as the city centre will be partly depopulated, over one million residents will be rehoused in suburban areas, and half a million residents who remain in the inner city area could have their living conditions substantially improved. The surplus land could provide more urban space for newly developed service industries and enhance the city's efficiency, and the land lease fund would also improve the city's outdated infrastructure.

Part Four: Recommendations for Housing Renewal in Shanghai

In Part Four the conclusions of Parts Two and Three are drawn on to suggest an approach to housing renewal in Shanghai. It begins with an evaluation of the transferability of British housing renewal experience to the situation in Shanghai. This is followed by proposals for a set of appropriate objectives in the context of the particular housing, economic and social conditions of Shanghai, and an outline of a possible housing renewal strategy. Guidelines are then suggested for the implementation of housing renewal, in terms of policies and strategies, and technical and design considerations.

4.1 Transferability of British Housing Renewal Policy and Practice

In parts two and three the central hypothesis of this thesis, that British housing renewal experiences are partially transferable to Shanghai, was tested through a case study in Shanghai. The main conclusion which can be drawn is that British housing renewal policy and practice is partially transferable to Shanghai, with important limitations.

It has been argued in a previous paper that the following points from British experience are particularly relevant to the development of policy in Shanghai (Brindley & Wei, 1994):

i The Role of the Housing Market and the Significance of Owner Occupation

In the UK, almost 70% of the housing stock is owner-occupied, and this factor has contributed substantially to the success of housing renewal in Britain. As the market economy is established in China and this is extended to housing provision, the owner occupation of older housing will stimulate the interests of owners to improve their properties.

ii The Positive Value of the Neighbourhood

Successful renewal in Britain has depended in large part on the positive value attached to older neighbourhoods, where specific groups of the population want to live and are motivated to improve their living conditions. In the inner city of Shanghai, existing neighbourhoods and communities have a continuing attractiveness and strength. Housing renewal programmes in Shanghai will help to prevent old neighbourhoods from disintegration and to maintain their social value.

iii A Comprehensive, Multi-Agency Approach

In the UK renewal which has depended on a single agency, such as a local authority, and a single goal has in general been less successful than a multi-agency approach, including for example

housing associations, private owners, and individual firms, within a comprehensive framework.

iv Intensive Implementation within a Local Area

Successful housing renewal depends on intensive efforts applied to small sub-areas of the neighbourhood. This seems in general to be more effective than a thinly spread application of resources.

v Active Involvement of Residents

For renewal to be successful, residents have to want their neighbourhood to be renewed, and local involvement and consultation is essential to ensure that the process is responsive to residents' preferences and needs.

However, it can be seen from the case study of Shanghai that there are major limitations on the transferability of UK housing renewal experience to Shanghai. The factors which constrain and limit the degree of transferability can be summarised as follows:

i. Economic Factors

There is a marked contrast of basic type of economy between Britain and China. The Chinese type of economy is largely state-planned, with a minority of market-led activity. China is now in a transitional period from a dominant state-planned economy to a market-led one. The British type of economy is a mixed economy with a large proportion of market-led activity and a relatively small state sector. The rate of home-ownership is a partial reflection of this difference: in the UK privately -owned housing, including owner-occupied and private rented, is 72%, socially-owned 28% (DoE, 1993a), but in Shanghai only 22% of dwellings are privately owned, while 78% of housing is socially-owned (Shanghai Housing Administration Bureau, 1992). The current housing reform programme in Shanghai is encouraging private home ownership and a commercial housing market has been introduced. The tenure pattern in Shanghai is expected to change gradually, but in the near foreseeable future, social housing in Shanghai will remain predominant.

Another economic factor is the level of housing investment in GDP terms. According to the data from the Shanghai Housing Administration Bureau, annual housing investment in Shanghai was less than 2% of its GDP before 1980, but it has been increased to 3% recently. There is nevertheless a huge deficit of financial resources in housing production and maintenance. Housing investment in the UK averaged 3.59% of GDP between 1970-1989 (Oxley and Smith, 1993), much higher than that of Shanghai. Although it is difficult to make a meaningful comparison between Shanghai and the UK, the fact that Shanghai's investment in housing has been much lower than the UK's while its housing needs are so much greater suggests a relatively low priority has been given to housing in Shanghai.

These economic differences suggest that the UK's housing renewal policy, which is largely based on the owner-occupation of older housing, is not wholly appropriate for Shanghai. Shanghai's housing renewal policy will have to take into account the continuing high level of social housing, but allow for a gradual increase in private home-ownership. Housing investment in Shanghai should be much higher to provide enough resources for housing production, maintenance and repair.

ii. Social Factors

The differences in social factors affecting housing renewal between UK and China can be identified as housing occupancy levels and neighbourhood characteristics. In Shanghai, the older housing in the inner city area has very high occupancy levels, and the average living space for its occupants is very limited. Neighbourhoods in the inner city area of Shanghai are socially mixed and essentially low-income, in a very crowded environment. The old Chinese neighbourhood also has a high level of social and political life with its neighbourhood committee monitoring people's daily lives. Housing policy for Shanghai has to take account of its distinctive neighbourhood characteristics.

iii. Political and Administrative Factors

Following the introduction of economic reform, the Chinese government has gradually devolved its powers of urban and housing development to local government and private enterprises. The latest policy of land lease, which enables local government to lease its land to the highest bidders, has resulted in commercial profit-making overriding social needs. Because housing renewal usually generates less profit than urban redevelopment, it is often the case that land lease is associated with large-scale urban redevelopment and older housing clearances. Hence housing renewal policy in Shanghai has to strike a delicate balance between commercial profit and housing social needs, and the regeneration of older neighbourhoods.

iv. 'Cultural' Factors

'Cultural' factors also play a very important part in China's housing policy. Unlike their UK counterparts who regard housing as an expensive and durable commodity, and a good investment, most Chinese residents merely treat housing as an aspect of social welfare which they normally receive free from the state or work units. As a commodity, housing has problems of aging, wear and tear, and a theoretical life span. Hence to keep its value, it needs regular service, repair and maintenance. Because of this cultural difference, in Shanghai and in China as a whole, the financial investment in housing maintenance has been consistently lower than the minimum necessary level, which has led to today's serious consequence that most of the older housing, some of it built to a relatively high standard, and a significant proportion of new housing, is in a state of disrepair, lacking basic amenities, with a shortened theoretical life span. Furthermore, there is the huge deficit of housing construction left over from the so-called 'Cultural Revolution' period. All the facts above have contributed to today's appalling and desperate housing situation in the old city areas of Shanghai. Housing policy for Shanghai has to work on these 'cultural' factors, the attitudes and values towards housing, to persuade residents and governmental officials to recognise the value of older housing, and the importance of the need to repair and improve it.

v. Physical and Technical Factors

The physical housing standards, such as the UK's fitness standard and the criteria used to measure overcrowding, are not appropriate to the situation of Shanghai. Chinese housing is in very much worse condition than UK housing; but it is also the case that 'acceptable' standards in China are lower too, reflecting lower living standards. The English House Condition Survey (DoE, 1993a) revealed that in the UK less than 1% of dwellings lack basic amenities, while about 7.6% of dwellings are unfit. Shanghai is far worse off with nearly 40% of dwellings unfit and 60% lacking basic amenities (Shanghai Housing Administration Bureau, 1992). The current UK fitness standard was introduced in the 1989 Local Government and Housing Act (LGHA) (Appendix 2) and includes a range of quantitative and qualitative factors. Shanghai has no official fitness standard, but if one is to be introduced, it should consider more basic aspects such as average space for occupants, provision of basic amenities, and structural stability.

The UK's criterion to measure overcrowding is occupancy of more 1.5 persons per room. Again, the situation in Shanghai is far worse than in the UK. Although there are no comparable statistics, the current average living space of 6.6 m^2 per person is obviously much less than the British standard. Hence the criteria to measure overcrowding in Shanghai have to reflect local conditions. Housing policy for Shanghai has to take into account much lower physical standards in line with the existing living and social conditions.

4.2 Outline of a Comprehensive Renewal Strategy

Neighbourhood renewal is a relatively mature area of policy in Britain. It has evolved in a fairly consistent direction, related to the growth of owner occupation of the older housing stock in inner city areas. The emphasis of British policy today is on grant-aided housing improvement, targeted on the worst properties and the poorer owners, within a wider framework of neighbourhood revitalisation. China has not developed national policies, but some individual cities like Shanghai have recently begun to address issues of urban renewal. To develop a housing renewal strategy for Shanghai it is necessary to examine the scope for adopting a strategic approach, under China's current economic and housing reform policies. The recommendation at this stage is to establish a range of strategies, possible renewal models, and guidelines for the implementation of housing renewal. It is hoped that these recommendations will bring together academics, professionals and government officials of Shanghai to consider this issue seriously. Through wide debate and consultation, it will be possible to build the essential foundations for future housing renewal work in Shanghai. The following suggestions are made for future policy development in Shanghai.

4.2.1 Overall Objectives of a Renewal Strategy

As already noted, nearly 40% of the current housing stock in Shanghai is poor quality old housing. This is nearly 37 million m^2, with over 45% of households in the inner city area living in these dwellings (Shanghai Housing Administration Bureau, 1992). The condition of these old houses is very poor, most of the houses need at least one of the basic amenities such as kitchen or toilet, and many old houses also have fabric and structural defects. Hence the first main objective of the renewal strategy for Shanghai is:

i. To improve the housing standards throughout the present older housing stock and more especially in the inner city area of Shanghai, improving the living standard of residents in

the inner city area and preventing the further decline of the older housing stock by encouraging investment in improvement.

New housing production in Shanghai has been progressing rapidly, and between 1981 and 1991 some 45 million m^2 of housing have been added with total investment of nearly ¥16.363 billion Yuan (Zheng, 1993). The average living space for every Shanghainese has increased from 4.4 m^2 in 1980 to 6.6 m^2 in 1992. But the living conditions of the households who are living in poor quality housing in the inner city area has not been improved significantly since in 1992 there were still over 1 million residents, about 300,000 households, living in appalling conditions below 4 m^2 per person (Shanghai Housing Administration Bureau, 1992). The second objective of the renewal strategy for Shanghai is therefore:

ii. To increase the life of older housing by a policy of improvement and renovation to ensure that the future supply of housing meets demand.

As economic reform in Shanghai has gone deeper, more and more foreign investments have come to Shanghai especially to the inner city area. Inevitably most of these are commercially-motivated, profit-making, investments, hence much old housing and whole neighbourhoods in the inner area have been pulled down to make way for these new waves of economic energy. Most of the redevelopments have taken place without any consultation with local residents and community groups, and most of the residents have been displaced which inevitably causes social problems. The third objective is therefore:

iii. Before carrying out a housing renewal programme, to ensure a proper consideration of housing, social and environmental needs of areas of older dwellings in the inner city area, in full consultation with their residents, to ensure these needs are met, and also to ensure the housing renewal policy is in line with economic reform and housing reform policies.

The housing problems in Shanghai are due to lack of proper investment, as measured by GDP.

Between 1981 and 1985, investment in housing in Shanghai was only 2.17% of the city's GDP. Between 1985 and 1991 it increased to 3.6% of GDP which produced much new housing during that period (Zheng, 1993). Shanghai's recent housing reform was designed to encourage investment from the public sector, working units and the private sector. The attempt to create a housing market is one of the new initiatives in the reform, and currently there have been some problems with speculative builders and investment in commercialised housing. It is suggested that the fourth objective is:

iv. To enhance the policy of encouraging multi-channel investment from public sources, working units and the private sector and to develop a healthier private housing market.

The level of population density in the inner city area of Shanghai is extremely high, and in one area, Jin-an District, it reached 61,580 people per km^2 in 1992. The highest density recorded was in Wu Ding Road neighbourhood, where it reached 103,694 person per km^2 (Zheng, 1993). It is very difficult to implement housing renewal programmes in such high density areas, and the task of decentralisation of the urban population has become imminent. The fifth objective of a renewal strategy for Shanghai is:

v. To reduce the population in the inner city area to make enough room for the residents to improve their living condition.

4.2.2 The Renewal Strategy and Renewal Models for Shanghai

In China's cities, the uniformly low level of rental income generated by the public sector rental stock is responsible for the underfinancing of maintenance. The consequence of low maintenance expenditure has been the premature deterioration of structures and the subsequent need to allocate scarce resources to rectify the consequences of deferred maintenance. In China, the first generation public housing stock, built before the 1960s, is already at risk. More ominously, the massive additions to the stock begun after 1978 will reach the critical age at which poorly-maintained structures decay markedly during the present decade. This

is because the effects of deferred maintenance were not immediately apparent, however after 15 to 20 years, buildings have begun to deteriorate rapidly and enormous emergency expenditures are needed to avoid a permanent reduction in housing stock and abandonment of structures well before their theoretical useful life is over. To avoid the catastrophic loss of housing stock in China as a whole, better maintenance must become a national priority. In the case of Shanghai, it is also equally important to give a proper consideration to maintain a certain percentage of the better quality old housing stock built during the 1920s and 30s, at the same time as maintaining the multi-storey housing blocks, as the old housing accounts for 40% of Shanghai's total housing stock. The problems of inadequate maintenance, if ignored for another decade, will certainly result in buildings becoming dilapidated.

(1) <u>The Proposed New Concept of Maintenance (Renewal and Redevelopment)</u>

The concept of maintenance is defined as a combination of actions carried out to retain an item in or restore it to an acceptable condition. It includes both replacement and renewal. For the purposes of programming and financial control, maintenance is normally subdivided into the following five categories:

i. Planned maintenance.

This includes maintenance organised and carried out with forethought, control and use of records, according to a predetermined plan.

ii. Preventive maintenance.

This involves maintenance carried out at predetermined intervals, or according to other prescribed criteria, and intended to reduce the likelihood that an item will not meet acceptable standards.

iii. General maintenance.

This covers corrective maintenance which may or may not be planned. This is equivalent to major or intermediate repairs undertaken in China.

iv. Minor repairs.

These include small repairs on defective items reported by users or arising from inspection of property.

v. Special services.

Separate provisions should be made for works required by the impact of natural disasters and other maintenance works not normally funded by the maintenance budget.

(2) Recommended Renewal Strategy for Shanghai

The housing renewal strategy for Shanghai will identify those areas where, because of the age of dwellings and non-investment in the past, investment and improvement will be essential if the housing stock is not to deteriorate further. This will enable resources to be concentrated in those parts of the inner city area which exhibit the greatest need. It will outline a programme of action which will concentrate on improving the structure of housing and the local environment and thus will create better living conditions and increase the life of the housing. It is hoped that through this process local residents will be encouraged to invest in their own properties thus securing an overall improvement in housing conditions. Because clearance and redevelopment tends to be more costly in economic terms and disruptive to the local residents involved, and results in a loss of housing stock whilst rebuilding is taking place, the housing renewal strategy for Shanghai therefore aims to encourage renewal and improvement where this is a sensible approach and thus reducing the rate of future housing clearance.

In line with the above overall objectives and the lessons from British experiences, it is suggested that the following measures should be taken in order to develop housing renewal programmes for Shanghai (Wei & Brindley, 1995):

- an initial sample survey of the inner city neighbourhoods, with a view to prioritising neighbourhoods according to their physical and social conditions;
- a rolling programme of detailed neighbourhood surveys and local consultation, taking each neighbourhood in turn according to its priority, to evaluate broad renewal options for local areas within the neighbourhood;
- a comprehensive property survey of all dwellings in the local areas, internally and externally, to identify the works required to restore the dwellings to their original condition and install

modern amenities, and assessing the remaining life of facilities;

- translate the list of repair and improvement works into a schedule, in terms of cost and time, and determine the cost-in-use value versus redevelopment, to assess the efficacy of major rehabilitation, and to decide on the treatment of individual properties based on the degree of dilapidation and inconvenience caused by the defects;
- establish a medium-range (5 - 10 year) renewal programme for each local area and the neighbourhood as a whole.

These measures will help to arrive at an overall housing renewal strategy for Shanghai. Implementation of housing renewal is likely to require a three-pronged approach, including combinations of 'immediate replacement', 'temporary repair', and 'full refurbishment', related to the different types of housing.

i. Strategy for old housing:

Old housing here is defined as old Lirong housing and new Lirong housing. For this housing, it is necessary to employ all the strategies, 'immediate replacement', 'temporary repair', and 'full refurbishment'. Priority should be accorded to 'full refurbishment' of these old housing areas over the next 5 to 10 years if the existing condition is relatively good. Old housing areas planned for redevelopment within 5 years should only receive 'temporary repairs' that render them structurally safe and weatherproof. Houses with major defects should be abandoned, and an 'immediate replacement' strategy should be adopted. The money saved should then be redeployed to provide sufficient maintenance funds to preserve the life span of those units which will remain in use over the next 6 to 10 years and beyond.

ii. Strategy for new housing:

New housing here refers to new blocks of flats, high rises and other apartments. These dwellings in Shanghai are visually sound although the limited level of upkeep has created a clear need for deferred maintenance expenditures. The funds required to clear the large backlog of

maintenance far exceed existing resources. Hence the policy for new housing should be 'full refurbishment', to focus on recurrent maintenance activities required to preserve existing flats. To ensure that funds required will be made available for planned and corrective maintenance, the 'full refurbishment' policy will be based on property funded planned maintenance, preventive maintenance, general maintenance, and minor repairs. If sufficient funds are provided to carry out the above, buildings should survive through their normal life cycle of 50-60 years, though periodic refurbishment may be required due to premature failure of materials, inadequate design, and the need to upgrade facilities in response to growing household incomes.

(3) Comparative Summary of the Present and Recommended Maintenance Strategies

i. Old housing:

a. Present strategy: General repair, elemental replacement, reconstruction

b. General condition of maintenance: Fair to poor

c. Estimated total service life of building: N/A

d. Recommended strategy:

Full refurbishment and planned redevelopment in 5 to 10 years.

Temporary repair and minimum maintenance for weatherproofing.

Immediate replacement of old housing in poor condition and redevelop.

e. Estimated total service life of building: 10 yrs

ii. Low-rise multi-storey new housing:

a. Present strategy: Less than 10 years old: minor repairs.

More than 10 years old: minor repairs, elemental replacement on complete failure of facilities or partial refurbishment.

b. General condition of maintenance: New to 10 years old: good

More than 10 years old: fair (common area: poor)

More than 30 years old: poor

c. Estimated total service life of building: 30 years

d. Recommended strategy:

A separate deferred maintenance programme to upgrade the neglected facilities to conditions as close as practicable to their original condition.

Full refurbishment, planned and preventive maintenance programmes in addition to day to day repairs to preserve the value of assets thereafter.

e. Estimated total service life of building: 50 years plus

iii. High-rise multi-storey housing:

a. Present strategy: General and minor repair. Regular elevator maintenance.

b. General condition of maintenance: Fair (common area: poor)

c. Estimated total service life of building: 25 to 30 years

d. Recommended strategy:

A separate deferred maintenance programme to upgrade the neglected facilities to conditions as close as practicable to their original condition.

Full refurbishment, planned and preventive maintenance programmes in addition to day to day repairs to preserve the value of assets thereafter.

e. Estimated total service life of building: 50 years plus

(4) Housing Renewal Models in Shanghai

Three models are proposed for the implementation of housing renewal in Shanghai in line with the above policies. The principles of these models are derived from research in the UK in the 1980s, where three general patterns of housing renewal implementation were identified, termed the 'Neo-Traditional', 'Mixed Economy' and 'Self Help' approaches (Brindley & Stoker, 1985). Although based on UK experience, these models can be adapted to fit the particular conditions of Shanghai:

i. Housing Renewal Model One: State Intervention Model or 'Neo-Traditional Approach':

This approach is based on modernising the principle of 'municipal renewal' which dominated slum clearance policy in the 1950s and 1960s in the UK. Renewal would be led by public sector and state agencies, but could achieve a greater degree of public acceptability and more sensitive management than was seen in the UK. For example, more consultation with residents and a clear commitment to the phasing of redevelopment could help to preserve the social continuity of an area (Gibson & Langstaff, 1982). As the current administrative and political system in Shanghai is relatively centralised, much of the housing stock belongs to the state. Hence the state still has a great responsibility for the housing, including its condition and its development. State intervention will play a major role in housing and neighbourhood renewal in the foreseeable future, but this approach by itself goes against current policies in Shanghai to introduce housing markets and investment by other agencies.

ii. Housing Renewal Model Two: Partnership Model or 'The Mixed Economy Approach:

This approach, which has become the prevailing one in the UK, would entail a joint approach by the state, work units and the private sector. This is broadly in line with housing policy reforms in Shanghai (Shanghai Municipal Government, 1991), which are encouraging multi-channel investment and multiple participation in housing development. The central government has taken a gradual decentralised approach by giving more power to local government and working units over urban planning and housing production since economic reform. The local government and working units have been actively involved in housing and urban development, and the financial contribution made by the collectives has already exceeded the level contributed by central government. In 1990 the new housing investment in Shanghai by central government was ¥488.13 million, but the investment by local government, working units and the private sector was ¥2137.44 million, almost 4.5 times higher (Shanghai Housing Administration Bureau, 1992). In the foreseeable future, the state will continue to manage new housing construction although the collectives and private sector will supply more and more funding. Housing tenure has consequently changed dramatically as more and more collectives and private developers have

made their contribution to housing production. Between 1980 and 1990, the state-owned housing stock in Shanghai increased from 32.19 million m^2 to 58.5 million m^2, but the collectives' housing stock increased fivefold from 2.39 million m^2 to 11.44 million m^2 and the private housing stock doubled from 9.45 million m^2 to 19.07 million m^2 over the same period (Shanghai Housing Administration Bureau, 1992).

The partnership approach in housing development and housing renewal is vital in Shanghai, as this will not only include a wide range of financial resources in the programme but also balance the interests of the different parties. It is likely that in Shanghai most of the new houses built will be for sale but the state and the collectives will still provide houses to rent where this is considered appropriate. For the displaced residents in housing renewal areas and for those who could not to purchase their own property, the partnership approach should help the problem by providing rented accommodation.

iii. Housing Renewal Model Three: 'The Self Help Approach':

This is the approach advocated by housing critics and supporters of community architecture in the UK (Ward, 1985) . It presupposes the existence of groups of residents with the commitment and resources (physical as well as financial) to undertake housing renewal schemes, and that the necessary professional support is available. A similar approach has been seen in Shanghai for years, not for old housing renewal but mainly for new housing and new flat decoration and fitment, especially for most of the newly-weds who always undertake this approach when their new flat has been allocated, and in most cases, the property is state- or collective-owned. It is suggested that the government should set up a coherent policy and financial incentives to encourage the private sector to get involved in housing renewal. This would be particularly appropriate for New Lirong Housing where the housing structure is basically sound, most amenities have already been installed, and the major renewal work is 'superficial work', i.e. brick cleaning, repairing front and rear walls of courtyards, improvement of surroundings such as pavement and pathways, etc. The advantage of this approach is that the physical change is kept to a minimum and the existing

community and its 'social fabric' can be retained.

4.3 Guidelines for Implementation of Housing Renewal

These guidelines for the implementation of housing renewal in Shanghai attempt to identify as many as possible of the issues which should be taken into account when the housing renewal programme is implemented. It is not suggested that these are all the issues to be considered nor that each is appropriate to every situation. However, it is hoped that these guidelines will provide a yardstick to measure plans for the intended programmes. The guidelines are intended for use by a variety of people and organisations such as housing departments, municipal government, academics and professionals who become involved in the housing renewal programme. The ideas and suggestions contained in the guidelines rely heavily on the outcomes of the case studies in Leicester and Shanghai, and the author's research and working experiences in the two cities with academics and city council officials, and most importantly it is based on the successful renewal work done by British professional housing workers, officials and other experts.

It is suggested that the guidelines for implementation of renewal programmes should be as follows:

4.3.1 Policy and Strategic Guidelines

(1) The Declaration of Housing Renewal Areas and Special Grants for the Programme

The successful implementation of housing renewal is largely based upon a neighbourhood-based area approach and comprehensive action in declared areas. The housing renewal practices in Leicester since early 1970s have already produced fruitful results. Hence the first major task for housing renewal in Shanghai is to identify a series of housing renewal areas on the basis of census analysis and housing condition surveys. The housing renewal areas to be selected will have to meet one of the following four criteria:

i. They are substantial areas of mainly Old Lirong Housing and New Lirong Housing in need of improvement, located in the inner city areas where the housing and living conditions are the worst in Shanghai;

ii. The houses themselves are in a poor condition and are in immediate need of improvement if demolition is to be avoided. In many cases smaller clusters of houses will be identified to be included in the schedule for demolition;

iii. The areas have potential for environmental improvements which would help boost the overall attractiveness of the area and promote further housing renewal;

iv. The boundary of the housing renewal areas should be within existing identified neighbourhood areas, namely the local administrative level or 'Ju Wei Hui' , the local neighbourhood.

Using these criteria, some areas will be declared as housing renewal areas where renewal work will be carried out systematically.

The housing renewal strategy entails the declaration of a number of housing renewal areas in the inner city of Shanghai, and the main items of expenditure within the programme will be for housing improvements and for environmental improvement work. It is suggested that the Shanghai Municipal Government and the work units, owners of the properties within the areas, should set up a special grant for the programme, initially for the next 5 years to the year 2000, in line with current targets for raising housing standards. At the same time, private companies and individuals will also be encouraged to make contributions to the costs. All the houses eligible within the renewal areas will be able to claim a certain percentage of grant for the renovation, including the environmental works.

(2) To Establish A Proper Fitness Standard

A proper fitness standard needs to be established in Shanghai as a measure of the quality of the housing stock. At present there is no such fitness standard available in Shanghai, and it is suggested that a proper fitness standard should be considered which could be applicable to both new housing construction and old housing renewal.

Currently the major housing standard used by Shanghai Municipal Government concentrates on quantity, and there are some doubts over that objective. In 1991 the Shanghai Municipal Government set up a long-term target that by the year 2000, the average living space would be $10m^2$ for every resident of Shanghai, and each household would live in a self-contained flat. The short-term task is to eliminate the worst living conditions of families who live below $4m^2$ per person. The government also encourages the occupants to buy their existing properties. The guideline is to suggest that meeting the short term target is urgent and should be the top priority. Promoting home ownership can be operated jointly with achieving this short-term goal through providing 4 m^2 of living space for each person (the government minimum living standard) at a discount price and selling the excess space at a market price with mortgages from banks. With regard to the old housing renewal programme, apart from the special grant from government and work units, it is suggested that area-based housing co-operatives be established to organise private funds. The Shanghai Municipality and the work units should be required to meet the renewal costs of $4m^2$ living space per person, and most of the households would then be able to afford the renewal cost for the excess floor space with grant aid.

(3) Housing Market and Rent Reform

The process of housing commercialisation consists of public housing production, collective and private housing production. Instead of providing housing mainly through the state, housing should be provided by multiple channels such as the existing state-run social housing sectors, collective housing production sectors and private profit sectors, in order to give the different residents their various choices in housing. The housing reform in Shanghai should also reform the low rents system. It is suggested that in line with the programme of ensuring $4m^2$ of living space per person, the rent should be adjusted to a higher cost-rent level if the average living space for household is above this standard. Above all the reform should ultimately favour the households who have been displaced due to urban redevelopment and housing renewal by

helping them to buy a new property, and it should also favour those who would like to purchase their existing occupied properties.

The case study in Yu Yuan Garden East Area of Shanghai revealed that most residents (59%) would like to move back to their area and a lot of them (21%) would like to move to the same district if the area is renewed. It is suggested that the housing renewal programme should be implemented in conjunction with a commercialised housing market. This would be done by ensuring $4m^2$ of living space per person with governmental compensation, with the excess space to be sold or rented to residents. Local housing stress could then be lifted and local neighbourhoods could be retained, which would do less damage in social and economic terms than wholesale redevelopment.

(4) Stabilising the Financial Input to Provide Sufficient Housing

The housing problems in Shanghai are largely caused by the instability of financial resources from the state and enterprises. In accordance with China's economic reform, and Shanghai's housing reform, wealth and power have been delegated to enterprises and private individuals, and funds for housing development are not regulated or reorganised. Therefore future emphasis needs to be on the establishment of a stable and regular housing finance system. The condition disclosed in Yu Yuan Garden East Area is reflected in the problem of insufficient financial input in housing production, housing maintenance and housing renewal. As has been seen, nearly 53% of housing in the area has no adequate kitchen, 35% only have a shared kitchen, 90% have no adequate toilet/bathroom, and 5% of housing only have a shared one. The rate of self-contained accommodation is only 5%. It is suggested that, firstly, a new agency such as the 'Shanghai Housing Co-operative' should be set up to organise funds from working units and individuals for housing development and purchase; and secondly, the total investment in new housing production should be kept at the current level which is 3-5% of GDP in Shanghai. Private housing development should be encouraged in the process of housing commercialisation. The Shanghai Municipal Government should simplify the development procedure by ensuring adequate

planning, land allocation and provision, construction materials and proper funding.

(5) New Housing Production Should Consider the Most Needy

The past fourteen years of economic reform, especially urban housing policy reform in China and in Shanghai, have effectively increased investment in housing. However the problems still prevail in areas of old housing renewal such as the case study area, Yu Yuan Garden East, and the private housing market. Further reforms are needed especially with respect to the healthier development of commercialised housing production, the allocation of housing, and privatisation of old and new housing stock.

The current housing goal in Shanghai for the year 2000 by which each household should have a self-contained flat with and average living space of 10 m^2 per person is a difficult target to achieve based on the current pace of progress. In 1990 the completion of new housing was 4.22 million m^2 in Shanghai, about 80,000 flats. After deduction of 1.19 million m^2 loss through demolition of substandard housing, the net increase of the housing stock was only 3 million m^2, about 60,000 flats. Hence the programme needs to be revised. In the inner city area of Shanghai in 1992 45.8% of households (about 900,000 households) had no adequate gas supply, 60% of households (about 1.2 million households) had to share very basic amenities, and there were 300,000 households, over 1 million people, whose average living space was below 4 m^2 per person. This shows that housing production has not actually matched the end needs. Therefore it is suggested that the housing renewal strategy should place an emphasis on providing houses and flats for households whose living condition is classified as substandard. It is recommended that the short-term housing target should be to ensure that everybody has at least $4m^2$, and new housing allocation should give consideration to the households who are living below this standard in the inner city area.

4.3.2 Technical and Design Guidelines

Given the problems created by current practices, the Shanghai Municipal Government must now commit themselves to improving the condition of all types of residential buildings, especially the better-quality old housing, through better maintenance, as well as improved design, construction and selection of building materials.

(1) Building Design

A good design should allow buildings to be adapted to changing user demand. Rising living standards will result in households using more electrical appliances. If the existing, outmoded standard used for electrical installations is applied to new buildings, such structures will have to be upgraded in the near future to allow for the use of refrigerator, washing machines, dish washers, etc. Overloading an inadequate electrical system is a dangerous practice and will result in heavy maintenance expenditures or even premature rewiring which is an expensive and disruptive exercise. Finally neither shower facilities nor hot water supplies have ever been provided for in most housing. Provision of these amenities during construction is much cheaper than retrofitting at a later stage because of the additional costs of altering the existing plumbing installations and wall finishes.

(2) Construction

The construction method chosen has a close bearing on future maintenance. The use of small concrete panels, for example, is a labour-saving and speedy method of construction. However, unless the jointing method is carefully detailed, future maintenance required for repeatedly repairing deteriorated material over 5-10 years period will be costly. In addition the lack of a damp-proof membrane below the ground floor slab is responsible for a great proportion of the subsequent refurbishment expenditures.

(3) Materials

Building materials deteriorate at different rates. Some materials corrode quickly if not properly protected. Brickwork used as structural and decorative elements in much of the old housing in Shanghai has experienced rapid deterioration, while reinforced concrete structures on the other hand are subject to carbonation and spalling after 10 to 20 years which can be deterred through

the application of protective coatings using paint and tiles. Stainless steel has a good corrosion-resistance record but is so expensive that railings and banisters made of mild steel are cheaper if painted regularly, which they are not. The roofing materials used in Shanghai always show signs of leakage. The coating is cheap but requires replacement at 5 year intervals. In the UK, proprietary roofing materials are available with 10-20 year warranty, and while their initial cost is high they prove more economical in the long term.

(4) Rational Maintenance Policy

A rational maintenance policy will prevent a surge of maintenance costs and help preserve the housing stock in an acceptable condition. In Shanghai, planned maintenance is done mostly on an emergency basis in response to an accumulation of substantial deferred maintenance. Preventive maintenance is non-existent. Comparing the financial effect of planned and unplanned maintenance systems, it is clear that planned maintenance approaches are more efficient. Any policy adopted must ensure the availability of finance to renew all dilapidated buildings as well as properly fund future maintenance of new and old buildings. Mixing deferred maintenance and reconstruction with general maintenance is counterproductive and often results in a diversion of funds from the preservation of new buildings to the rehabilitation of structures which may be beyond economic repair.

The housing renewal strategies and models proposed above are by no means a panacea, and clearly they will require further research in order to evaluate their feasibility. Shanghai is likely to be facing an increasing backlog of dwellings which are substandard, unfit or in a serious state of disrepair. It would be naive to believe that increased privatisation alone is the solution, or that the problem will resolve itself in years to come through a newly established housing market. Rather, it is likely that a pragmatic, multi-pronged and multi-agency approach will have to be introduced to combat the enormous housing problems of Shanghai.

4.4 Conclusion: The Prospects for Housing renewal in Shanghai

There is an enormous need and potential for neighbourhood-based housing renewal programmes and rehabilitation of substandard housing in Shanghai, owing to the existing huge quantity of substandard housing stock, currently nearly 35 million m^2, 40% of Shanghai's housing stock, and the large number of occupants, over 3 million people, 45% of Shanghai's population, who are living in these older substandard housing. The implications of the existing large-scale urban redevelopment programmes, based on a Wild-West style economic policy, have caused many old inner city neighbourhoods to disintegrate and many old houses to be destroyed, before being considered for rehabilitation. Housing renewal policy needs to move to the top of the Chinese government agenda. However the success of housing renewal programmes in Shanghai will depend on many aspects, some of them predictable, some not. Some of the aspects are inter-related.

i. Political Stability

The first and paramount aspect related to housing renewal in Shanghai is political stability, as although the Chinese government has managed to maintain China as a Communist state for over four decades, fierce struggles for power within the party itself have never ended, and these have inevitably caused political instability and social turbulence. China's current economic progress has seen rapid growth for over a decade owing in large part to less political struggle in the government. Hence the future of housing renewal in Shanghai will largely be determined by the stability of the Chinese government, and in particular the stable development of current policy.

ii. Economic Development

The second aspect related to housing renewal programmes in Shanghai is a healthy economic development. As has been stated in previous chapters, housing problems in Shanghai are

largely the result of insufficient financial input. The situation changed a lot under the Open-Door policy in the 1980s. Housing output in Shanghai increased substantially, which effectively lifted the shortfall of housing stock and met demands for houses. But it is still not enough owing to the backlog left over from decades ago. It is suggested that there is a need to keep the investment in housing not less than the current level, which is about 3% of Shanghai's GDP, until the year 2000. Housing renewal programmes need more financial resources, to assist with the housing maintenance strategy and to allow the renewal strategy to deal with old housing, as well as to continue the provision of new houses.

iii. Attitudes to Housing Renewal

The third aspect is the government's and residents' attitudes towards housing renewal programmes. It has been remarked that most Chinese government officials like to be associated with cosmetic works, such as building more new houses and residential areas, which are more accountable in their political records, rather than spending money on old housing improvement. This has to a certain degree affected housing renewal work in Shanghai. It is suggested that a more caring and democratic attitude in governing people needs to be adopted. This will make government officials more accountable to the people instead of to their political records, which could make housing renewal work more effective and consequently the residents would benefit in the end. For most residents in Shanghai, they also need to be persuaded to recognise the long-term value of their old housing and their old neighbourhoods, and furthermore they should be encouraged to invest in and improve their properties and their communities.

iv. Urban Renewal and Redevelopment

The existing large-scale urban redevelopment could rapidly destroy the remaining older neighbourhoods in Shanghai unless their value is recognised. Between 1980-1990, 8.8 million m^2 of older housing in the inner city area of Shanghai was destroyed owing to rapid urban development and expansion (Shanghai Housing Administration Bureau, 1992). Hundreds of neighbourhoods have been discarded and thousands of their residents have been displaced,

some of them unwillingly, to be relocated in the suburban areas of Shanghai. Although these residents' living conditions have been generally improved, most of them living in a self-contained flats with the exclusive use of kitchen and toilet, which was not possible in the older housing, the problems they face in the new areas are inadequate provision of community services, no proper shopping facilities and lack of schools. Hence to keep the social fabric and its continuity, governmental officials and residents have to be motivated to save and improve the older housing as well as their communities.

It has been concluded that, while the potential for housing renewal in Shanghai is great, the prospects for achieving it are seriously compromised by political, economic and attitudinal factors, and the current scramble to rebuild the city. A carefully planned and executed programme of housing and neighbourhood renewal would, however, be of considerable long-term benefit to Shanghai and its residents.

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Appendices

Appendix 1

Shanghai Municipal Government Circular, Implementation Proposal for Reform of the Shanghai Housing System. Shanghai, 1991.

This Proposal has been approved by the Chinese State Council and the 24th Congress of the Shanghai People's Representatives Executive Committee on 8th February 1991.

1.0 Aims and Objectives:

(1) to speed up dealing with the housing problems in Shanghai through implementation of housing system reform;

(2) to reform housing production, allocation, and exchange in line with the planned market economy;

(3) to achieve the target that average living space per person in Shanghai will be 8 m^2 by the year 2000;

(4) to achieve the target that 60% of households in Shanghai will live in self-contained flats by the year 2000;

(5) to eliminate the problem of households with living space below 3.5 m^2 per person, and to improve the living conditions for those living whose space is between 3.5 m^2 and 4.0 m^2 per person; and

(6) to rehabilitate most of the substandard housing in Shanghai together with slum clearance schemes.

2.0 Fundamental Principles:

(1) to commercialise housing, changing the existing low rent system and abolishing free housing allocation;

(2) to set up a financial mechanism which will allow the state, collectives and individuals to

build housing, and to change the current system whereby the state and collectives have a full obligation to house their employees; and

(3) to set up a judicial and authoritative body which will implement housing reform, carry out strategic research, provide housing management, monitor housing allocation, and deal with corruption.

3.0 Detailed Proposals:

The detailed proposals are as follows:

3.1 To introduce a Public Funding Accumulation Scheme

3.2 To increase rents and compensation for existing households

3.3 To allocate housing linked with construction bonds

3.4 To give preferential terms to house buyers

3.5 To set up a Housing Committee

3.1 To introduce a Public Funding Accumulation (PFA) Scheme

Public Funding Accumulation (PFA) is compulsory and long term saving. The employee who is engaged in PFA will deposit a certain proportion of his monthly income to PFA, and the working unit will also make a monthly contribution to PFA. Both of these contributions will belong eventually to the employee. PFA will help to increase the employee's ability to buy his own housing and fuel the pipeline for housing construction.

a. Eligibility and Scope

All full-time or contract working people who are permanent residents of Shanghai will take part in the PFA scheme. Retired people and pensioners will not participate in PFA, nor will short-term contract and overseas workers.

b. Ratio of PFA

The ratio will be based on the level of workers' income: for 1992 it will be 5% of salary. This will be

changed in accordance with economic development and personal circumstances.

c. The interest rate for PFA

The PFA interest rate will be the same as the current account interest rate.

d. The source of PFA

The PFA comprises two parts: one is from individuals by means of a monthly contribution, the other is from their working unit which pays a contribution out of its existing budget for housing maintenance, repairs costs, management fees and special budget.

e. Withdrawal and use of PFA

Individual withdrawal and use of PFA

PFA will only pay for employees' costs of buying a house, expenditure on building their own house, or the renewal and repair of an old house. It cannot be used to cover other consumption such as interior decoration, maintenance, rent, or buying housing equity-capital vouchers. The employees can use their relatives' PFA or cash to pay for the costs of buying a house, building their own house, the renewal and repair of an old house, and maintenance. If they are still short of capital, the household can apply for a mortgage and pay the back over a period of time. If employees sell a house purchased through PFA, they must repay the PFA. When their circumstances have changed, such as through retirement, moving out of Shanghai, or settling overseas, the balance of their accumulated PFA including interest will be returned to them. If they die during their employment period, their PFA with interest can be withdrawn either by their relatives or descendants.

Working unit withdrawal and use of PFA

In principle the working unit may conditionally use the capital from its own employees' PFA for the purpose of housing construction.

f. Management of PFA

The Administrative Centre of Shanghai PFA will take full responsibility for the collection, management and use of PFA. The collection, deposit, credit and loan of PFA will be carried out by the Bank of Credit and Commerce of Real Estate of Shanghai, a branch of the Peoples' Construction Bank of China. It will set up a special Building Society where appropriate. The PFA will not be counted against employees' income tax. When employees withdraw PFA with interest, this will be free of income tax. The inheritance of PFA will also be tax free.

3.2 To increase rents and compensation for existing households

In order to reform the existing low rent housing system and gradually increase rents, there will be compensation for existing households.

a. The scope and standard for increasing rents

According to the "Draft Standard of Shanghai Housing Rent" (DSSHR), the rents of all state housing and collectives' housing will be doubled. The rents of those households who are currently living in dormitory accommodation, or have shared benefit of lower rent will also be rejustified with DSSHR and doubled.

b. Eligibility for rent compensation

For all employees, including retired workers and pensioners who are currently living in state housing or collectives' housing, their monthly rent compensation will be at the ratio of 2% of their monthly income, and existing housing subsidies will be abolished. There will be no compensation for employees who are living in dormitory accommodation or their own property.

c. The source of rent compensation funding

The funding for rent compensation will come from the working unit's budget for housing repairs, management fees and maintenance.

d. The use of increased rents

The increased rents will be earmarked for the cost of housing repairs.

e. Concession policy

Those people who are confirmed by the Department of Social Security as being poor, old, widowed or old widowers will not have to pay increased rents. Appropriate concessions will be also be justified for veterans and their partners.

3.3 To allocate housing linked with construction bonds

New households who are going to rent state or collectives' housing will have to buy housing construction bonds.

a. Eligibility and scope

This will be implemented in line with "The Draft Method of Shanghai Housing Allocation and Management", when working units allocate state or collectives' housing. New households will have to buy housing construction bonds before they have the right to move in. Those employees who are in a difficult situation may buy the bonds in several instalments. Existing households and people sharing accommodation will be encouraged to buy bonds voluntarily to support housing construction.

b. Issuing body

Shanghai housing construction bonds will be distributed, used and repaid by the Shanghai PFA Centre. They will be guarenteed by the Shanghai Municipal Government.

c. Sale and pay back of housing construction bonds

The sale and pay back of housing construction bonds will be carried out by the Shanghai Credit and Investment Company, a Branch of the People's Construction Bank of China.

d. Capital for purchasing housing construction bonds

The capital for purchasing housing construction bonds will be determined by the following aspects: the floor space of new allocated housing; the basic rate of housing construction bonds; and the location of the house. The basic rate of housing construction bonds in 1991 will be 20-80 Yuan per square metre, and this will change in line with the inflation rate. Households will be supervised by the housing management branch when they purchase housing construction bonds; individuals can buy bonds through The Shanghai Credit and Investment Company.

e. The interest rate and pay back of housing construction bonds

The interest rate on the bonds issued in 1991 will be 3.6%, with no compound interest. The bonds must be paid back after 5 years.

f. Use of housing construction bonds

In principle, working units may conditionally use the capital from bonds for housing construction.

3.4 To give preferential terms to house buyers

There will be a gradual implemention of housing market reform, encouraging employees to buy a house for themselves, and giving preferential terms to house buyers.

a. Eligibility and scope

When the working unit allocates housing for their employees, in principle the sale of housing is top priority. Employees entitled to allocation of housing will be given a preferential price for buying their own housing. Households who have bought their own housing may not buy housing construction bonds. The quantity of sale of subsidised housing in each working unit should be above 20% of its housing supply. The existing state or collectives' self-contained flats can be sold to the employees at a preferential price.

b. The price of preferential housing

The basic price of new housing will be determined on the basis of its average construction cost. In 1991 the price was ¥250 per square metre of floorspace, one third of the construction cost. The basic price of old housing will be determined on the basis of its depreciation charge, and also by its location, orientation, layout and facilities. Employees who would like to buy the housing which they are presently occupying will be given extra preferential terms.

c. The sale and inheritance of preferential housing

Preferential housing can be inherited. After paying the full price and occupying the premises for more than 5 years, the owner may resell the preferential housing. The owner may only recoup the increase in value which is equivalent to the increase in average construction costs; the rest of value will be returned to the working unit.

d. Methods of paying for preferential housing

When purchasing preferential housing, the buyer will receive 20% discount if he pays the full price at once. If paid by several instalments, the first instalment will be at least 30% of the full price, but by paying an additional 10% the buyer will receive 2.5% discount. Low interest will be charged if paid by instalments. The payment period will not exceed 15 years when purchasing new housing, or 10 years when purchasing old housing. An employee may use a relative's PFA to buy housing.

e. Favourable policy for preferential housing

When a working unit sells new preferential housing, it will be exempted from construction tax and business tax, the buyer will be exempted from stamp duty, and urban land use tax will be postponed for 5 years. The budget-adjusting funding charge and the energy-traffic funding charge will be postponed on capital accumulated through the sale of new preferential housing. Similarly, when a working unit sells existing old rented housing, it will be exempted from construction tax and business tax, the buyer will be exempted from stamp duty, and urban land

use tax will be postponed for 5 years. The budget-adjusting funding charge and the energy-traffic funding charge will be postponed on capital accumulated through the sale of existing old rented housing.

f. The use of the capital

The capital accumulated through selling preferential housing will be specifically used for housing construction.

3.5 To set up a Housing Committee

a. The nature of the Shanghai Housing Committee

The Shanghai Housing Committee (SHC) will be an organisation under the leadership of the Shanghai Municipal Government. It will carry out strategic research and supervision for housing system reform.

b. The responsibility of the SHC

To be responsible for the implementation of housing system reform.

To carry out policy research and make detailed plans.

To set up and participate in a strategy for housing planning, construction and management.

To direct the use and accumulation of housing funding.

To establish the methods for housing allocation and management; and to provide supervision for housing allocation.

c. The hierarchy of the SHC

The SHC will have an executive board. The members of the board will be appointed by the mayor and they will normally be the leaders who are in charge of housing system reform, housing construction and management, division heads of the Shanghai Municipal Government, or socially well-known people. Under the SHC are the Office and the Centre of Shanghai PFA, which will

deal with daily business. Each district, county and bureau will set up a coherent sub-committee.

4.0 Supplementary principles

The implementation of this plan will be related to the improvement of employees' living conditions. When housing is allocated, special consideration will be given to those living in substandard conditions. In solving the most disadvantaged employees' problems, it is necessary to set up a strict system of supervision. It will be also connected with the existing application of commercialised housing, foreign currency housing, accumulated-funding housing construction and housing collectives. The plan will firstly be implemented in the inner city, and suitable rural areas can implement the plan accordingly. The working units of Central Government or others in Shanghai can also implement this plan as well as military bases in Shanghai.

(Translated by Fei Wei)

Appendix 2

Comparison of British 1985 Fitness Standard and 1989 New Fitness Standard

Old Fitness Standard (1985 Housing Act)	New standard (1989 Local Government and Housing Act)
Assessment Premises shall be deemed unfit for human habitation if, and only if, they are so far detective in one or more of the matters below that they are not reasonable suitable for occupation in that condition	**Assessment** A dwelling-house is fit for human habitation unless in the opinion of the local housing authority it fails to meet one or more of the requirements below and by reason of that failure is not reasonably suitable for occupation
Matters included in the standard	Requirement of the standard
• repair	• it is free from serious disrepair
• stability	• it is structural stable
• freedom from damp	• it is free from dampness prejudicial to health of the occupants (if any)
• internal arrangement	
• natural lighting	• it has adequate provision for lighting, heating and ventilation
• ventilation	
• water supply	• it has an adequate piped supply of wholesome water
• drainage	• it has an effective system for the draining of foul, waste and surface water
• sanitary conveniences	• it has suitable located WC for exclusive use of occupants
	• it has for the exclusive use of the occupants (if any) a suitably located bath or shower and wash-hand basin, each of which is provided with a satisfactory supply of hot and cold water
• facilities for the preparation and cooking of food and for the disposal of waste water	• there are satisfactory facilities in the dwelling home for the preparation and cooking of food including a sink with a satisfactory supply of hot and cold water

Appendix 3

Page

Case Study in Shanghai: Survey Questionnaires and Data

Contents:

Case Study of PhD Research
Housing Condition Survey

Fei Wei
Department of Architecture
De Montfort University
Leicester LE1 9BH
U.K.
Tel.: 0044-533-577415
Fax: 0044-533-577440

General Notes:

External Survey
(Shanghai, China)

REF. NO. | SURVEYOR | INSPECTION DATE

ADDRESS

POSTCODE | DISTRICT | NEIGHBOURHOOD

BUILDING TYPE	
END TERRACE	1
MID TERRACE	2
SEMI-DETACHED	3
DETACHED	4
SPECIAL	5

BUILDING TYPE	
SMALL	1
MEDIUM	2
LARGE	3
VERY LARGE	4

EXTERNAL ELEMENTS — CONDITION

1.ROOF
2.GUTTERS
3.WINDOWS
4.DOORS
5.WALLS
6.GARDEN WALLS
7.PAVING
8.GENERAL STRUCTURE

Key

0. None
1. Good
2. Maj.Repair
4. Renew

DWELLING TYPE	
SINGLE FAMILY	1
HMO/FLATS	2
PUR. BUILT FLATS	3
NON.RES.	4

CONSTRUCTION DATE	
PRE-1900	1
1900-1949	2
1949-1966	3
1966-1976	4
1977-ONWARDS	5

NO.STOREYS

BASEMENT Y/N

FIT Y/N | ASPECT (1. EXELLENT 2. GOOD 3. AWFUL) | PROSPECT

(FITNESS STANDARD: LGHA 1989)

Case Study of PhD Research
Housing Condition Survey

Fei Wei
Department of Architecture
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U.K.
Tel.: 0044-533-577415
Fax: 0044-533-577440

General Notes:

Internal Survey
(Shanghai, China)

REF. NO. | SURVEYOR | INSPECTION DATE

ADDRESS

POSTCODE | DISTRICT | NEIGHBOURHOOD

NO. DWELLINGS | NO. STOREYS | NO. HAB. ROOMS

TENURE OPTIONS		
1.	Owner Occupied	4. Privated Rented
2.	Working Unit	TENURE TYPE:
3.	Shanghai Housing Bureau	

NO.RESIDENTS	M	F	SUB-TOTAL
0-6			M
6-18			F
18-Pen.			Total
Pen.			

DEFICIENT IN ANY OF THE FOLLOWING:

NATURAL LIGHT | VENTILATION

INTERNAL ARRANGEMENT | FOOD PREPARATION

H.M.O. ONLY (Y/N)

FIRE PROTECTION | OVER OCCUPATION

INTERNAL ELEMENTS	CONDITION
1.BATH	
2.H&C WASH HAND BASIN	
3.H&C SINK	
4.INTERNAL W.C.	
5.HOT WATER SUPPLY	
6.COLD WATER SUPPLY	

Key
0 None
1 Good
2 Need Repair
3 Need Renew

FIT Y/N

1.DOORS/FRAMES	
2.DAMP PROOFING	
3.ELEC.POWER	
4.ELEC.LIGHTING	
5.PRINC.HEATING	
6.STAIRS	
7.INTERNAL WALLS	
8.CEILINGS	
9.FLOORS	

Key
0 None
1 Good
2 Need Repair
3 Need Renew

FIT Y/N

FITNESS STANDARD:
LGHA 1989q

Case Study of PhD Research
Housing Condition Survey

Social Survey
(Shanghai, China)

REF. NO. [ ] SURVEYOR [ ] INSPECTION DATE [ ]

ADDRESS [ ]

POSTCODE [ ] DISTRICT [ ] NEIGHBOURHOOD [ ]

SECTION A: ABOUT YOUR HOME

1. DO YOU — TICK ONE BOX ONLY

A. OWN YOUR HOME	
B. RENT IT FROM SHANGHAI HOUSING BUREAU	
C. RENT IT FROM YOUR WORKING UNIT	
D. RENT IT FROM A PRIVATE LANDLORD	

2. HOW MANY BEDROOMS HAS YOUR HOME GOT? [ ]
HOW MANY LIVING ROOMS HAS YOUR HOME GOT? [ ]

3. HOW MANY ROOMS IN TOTAL DOES YOUR HOME HAVE? [ ]
NUMBER

4. HOW LONG HAVE YOU LIVED IN YOUR HOME?
TICK ONE BOX ONLY

A. LESS THAN 1 YEAR	
B. 1-5 YEARS	
C. 6-10 YEARS	
D. 11-20 YEARS	
E. 20 + YEARS	

5. PLEASE STATE YOUR ADDRESS BEFORE MOVING TO YOUR PRESENT HOME

---

6. AT YOUR PREVIOUS ADDRESS DID YOU:
TICK ONE BOX ONLY

A. LIVE WITH PARENTS	
B. PRIVATELY RENT PROPERTY	
C. WORKING UNIT RENT PROPERTY	
D. SHANGHAI HOUSING BUREAU PROPERTY	
E. OWNER OCCUPY	

7. IF YOU OWN YOUR HOME, HOW DID YOU RAISED THE MONEY TO BUY IT?

A. OWN SAVINGS [ ] B. PARENTS [ ] C.WORKING UNIT [ ]

Case Study of PhD Research
Housing Condition Survey

Social Survey
(Shanghai, China)

SECTION A: ABOUT YOUR HOME (Continued)

8. HOW MUCH DID YOU PAY FOR YOUR HOME?

¥_____YEAR OF PURCHASE_____

9. HOW MUCH DO YOU STILL OWE ON YOUR MORTGAGE/LOAN?

¥_____

10. WHAT WERE THE REASONS FOR MOVING TO YOUR PRESENT HOME? TICK ONE BOX ONLY

A. SIZE OF THE HOUSES/FLAT	
B. FACILITIES IN THE AREA: SHOPS, SCHOOLS, ETC.	
C. NEAR TO WORK	
D. NEAR TO FAMILITIES/FRIENDS	
E. OTHERS	

11. WHAT CONDITION WOULD YOU SAY YOUR PROPERTY IS IN AT THE PRESENT TIME?

GOOD ☐ FAIR ☐ POOR ☐ BAD ☐

12. WHICH OF THE FOLLOWING IMPROVEMENT DO YOU THINK NEED TO BE YOUR HOME TO BRING IT TO AN ACCEPTABLE CONDITION?

A. NEW ROOF	
B. NEW WINDOWS	
C. NEW DOORS	
D. DAMP PROOF TREATMENT	
E. REWIRE	
F. KITCHEN IMPROVEMENTS	
G. BATHROOM IMPROVEMENTS	
H. HEATING/COOLING	
I. OTHER	

13. DOES YOUR HOME HAVE THE FOLLOWING? SHARED OR NOT?

A. INSIDE TOILET	Y/N	Y/N
B. BATH OR SHOWER	Y/N	Y/N
C. WASH HAND BASIN	Y/N	Y/N
D. KITCHEN FACILITIES	Y/N	Y/N

14. DO YOU, OR MEMBER OF YOUR HOUSEHOLD HAVE
A. A CAR ☐ B. MOTOR BIKE ☐ C. BIKE(S) ☐

15. HOW MANY PERSONS IN THIS ADDRESS (IF LIRONG HOUSE)? ☐

Case Study of PhD Research
Housing Condition Survey

Social Survey
(Shanghai, China)

REF. NO. [ ] SURVEYOR [ ] INSPECTION DATE [ ]

ADDRESS [ ]

POSTCODE [ ] DISTRICT [ ] NEIGHBOURHOOD [ ]

SECTION B: YOUR LOCAL AREA

1. FOR EACH OF THE FOLLOWING PLEASE SAY WHETHER YOU ARE SATISFIED OR DISSATISFIED AND ADD ANY COMMENTS YOU WOULD LIKE TO MAKE

CONTENTS	SATISFIED	DISSATISFIED	COMMENTS
STREET AND PAVEMENT SURFACE			
STREET CLEANING SERVICES			
RUBBISH COLLECTION			
STREET LIGHTING			
TRAFFIC MANAGEMENT			
PROVISION FOR CHILDREN PLAY			
GENERAL APPEARANCE OF THE AREA			

2. WHAT ARE MAIN THINGS YOU LIKE ABOUT THIS AREA?

WHAT ARE MAIN THINGS YOU DISLIKE ABOUT THIS AREA?

Case Study of PhD Research
Housing Condition Survey

Social Survey
(Shanghai, China)

SECTION B: YOUR LOCAL AREA (CONTINUED)

3. WHAT DO YOU THINK ABOUT THE SERVICES PROVIDED IN YOUR AREA?
FOR EACH OF THE FOLLOWING, PLEASE SAY WHETHER YOU ARE SATISFAIED OR DISSATSFIED AND COMMENT ON HOW YOU WOULD LIKE THE SERVICE TO BE IMPROVED.

TYPE OF FACILITIES	SATISFIED	DISSATISFIED	COMMENTS
SHOPS			
SCHOOLS			
PUBLIC TRANSPORT			
PARKS			
LIBRARIES			
SPORTS FACILITIES			
NEIGHBOUR-HOOD CENTRE			
CHURCHES/ PLACE OF WORSHIP			
POLICE			
HEALTH CENTRE			
PLAYGROUND			
PEDESTRIAN SAFETY			
PEST CONTROL			

4. DO YOU ATTEND NEIGHBOURHOOD MEETING?

ALWAYS ☐ SOMETIMES ☐ NEVER ☐

Case Study of PhD Research
Housing Condition Survey

Social Survey
(Shanghai, China)

SECTION B: YOUR LOCAL AREA (CONTINUED)

5. HOW DO YOU THINK THAT YOUR AREA CAN BE IMPROVED?

A. DEMOLISHING THE WORST HOUSES AND REHOUSING THE OCCUPIERS IN OTHER PART OF THE CITY ☐

B. DEMOLISHING THE WORST HOUSES AND REHOUSING THE OCCUPIERS IN THE SAME AREA LATER ☐

C. GIVING HELP TO OWNERS TO ENABLE THEM TO IMPROVE THEIR PROPERTIES ☐
IF C, WHAT KIND OF HELP?
_____

D. THE MAJOR PROGRAMME TO IMPROVE THE EXISTING HOUSES? ☐

_____

E. LEAVE THE AREA ALONE ☐

6. WHAT WOULD YOU MOST LIKE TO SEE DONE TO IMPROVE YOUR AREA?

PLEASE COMMENT:

Case Study of PhD Research
Housing Condition Survey

Social Survey
(Shanghai, China)

REF. NO. _____ SURVEYOR _____ INSPECTION DATE _____

ADDRESS _____

POSTCODE _____ DISTRICT _____ NEIGHBOURHOOD _____

SECTION C: PERSONAL AND FAMILY

1. WHO LIVES IN THIS HOUSE/FLAT STARTING WITH YOURSELF

RELATIONSHIP	AGE	DO THEY WORK		NOT IN WORK
		F/T	P/T	
1. YOURSELF				
2.				
3.				
4.				
5.				
6.				
7.				
8.				

2. PLEASE TICK THE BOX WHICH INCLUDES TOTAL YEARLY INCOME OF YOUR HOUSEHOLD

	TICK ONE BOX ONLY
A. LESS THAN ¥ 6,000	
B. ¥ 6,000-12,000	
C. ¥ 12,000-17,000	
D. ¥ 17,000-25,000	
E. ¥ 25,000+(PLEASE STATE)	

3. WHAT JOB, DOES THE MAIN WAGE EARNER IN YOUR HOUSEHOLD DO?

PLEASE STATE_____

4. ARE YOU:

A. A WOMAN OVER 60	
B. A MAN OVER 65	
C. A REGISTERED DISABLED PERSON	
D. A SINGLE PARENT	
E. OTHER	

5. DO YOU BELONG TO ANY RELIGIOUS DENOMINATION OR RELIGIOUS GROUP?

YES ☐ PLEASE STATE_____ NO ☐

Table 16: Area Profile, Yu Yuan Garden East Area, Shanghai

Total Population:	5,977 persons	
Total Households:	1,817 households	
Building Density:	68.52%	
Population Density:	1917 persons / ha	
Nature of Land Use:	Hectares	%
Residential:	2.0524	53.8
Shops and Offices:	0.383	10.0
Roads, Lanes:	0.9394	24.5
Gardens:	0.2412	6.3
Schools and Nurseries:	0.20	5.2
Total Land:	3.81185	100
Total Building Floor Spaces:	42,676 M^2	

(Source: Shanghai Housing Administration Bureau, Nan Shi District Branch)

Table 17: Types of Buildings in Yu Yuan Garden East Area, Shanghai (Dwellings)

	No. of dwellings	%
Residential	362	92
Shops	19	4.5
Nursery	1	0.33
Old People's Homes	2	0.625
School	1	0.33
Neighbourhood Centres	4	1.25
Clinics	2	0.625
Housing Repair Office	1	0.33
Total Dwellings:	392	100

(Sources: Author's case study survey, 1994)

Table 18: Type of Housing Stock in Yu Yuan Garden East Area, Shanghai (Dwellings)

	No. of dwellings	%
Old Lirong Houses and Shanties:	333	92%
New Lirong Houses and New Flats:	29	8%
Total Houses in the Area:	362	100%

(Source: Author's case study survey, 1994)

Table 19: Residents Preferences in Yu Yuan Garden East Area, Shanghai

	No. of persons	%
Moving Back to the Area after Housing Renewal Programme:	568	59
Moving to Other Area but in the Same District:	200	21
Moving to Pu Dong Area:.	37	4
Moving to Other Part of the Inner City:	150	15
No Particular Intention:	7	1
Total:	962	100

(Source: Author's case study survey, 1994)

Table 20: Average Living Space in Yu Yuan Garden East Area, Shanghai

	No. of households	%
Below 4 m^2 per person:	138	38
Between 4-6 m^2 per person:	129	36
Between 6-8 m^2 per person:	82	26
Above 8 m^2 per person:	11	3
Total:	360	100

(Sources: Author's case study survey, 1994)

Table 21: Households with Adequate Utility Space in Yu Yuan Garden East Area, Shanghai

	No. of households	%
Households with adequate utility space:	209	58
Households with shared utility space:	122	34
Households with no utility space:	29	8
Total:	360	100

(Source: Author's case study survey, 1994)

Table 22: Provision of Kitchen in Yu Yuan Garden East Area, Shanghai

	No. of households	%
No Adequate Kitchen:	194	54
Shared Kitchen:	126	35
With Self-Contained Kitchen:	40	11
Total:	360	100

(Source: Author's case study survey, 1994)

Table 23: Provision of Toilet/Bathroom in Yu Yuan Garden East Area, Shanghai

	No. of households	%
No Adequate Toilet/Bathroom:	324	90
Shared Toilet/Bathroom:	18	5
With Self-Contained Toilet/Bathroom:	18	5
Total:	360	100

(Source: Author's case study survey, 1994)

Table 24: Reasons of Keeping Existing Community by Local Residents in Yu Yuan Garden East Area, Shanghai

	No. of households	%
Convenience of Shopping:	360	100
Reliability of Public Transportation:	335	93
Good Relation with Their Neighbours:	292	81
Nan Pu Bridge (A Local the Landmark):	252	70
Yu Yuan Garden:	58	16
Low Crime Rate in the Area:	47	13
The People's Square:	29	8
Public Gardens:	22	6
Fresh Air:	22	6
Provisions of Schools:	18	5
Others:	46	13

(Source: Author's case study survey, 1994)

Table 25: Major Facts of Housing External Condition Survey in Yu Yuan Garden East Area, Shanghai

Total Residential Dwellings:		362 dwellings
Total Households:		1817 households
Total Population:		5977 persons
Average Size of a Family:		3.3 persons per family
Average Occupancy of a Dwelling:		5 households per dwelling
		16 persons per dwelling
Buildings Types:	End Terrace	54 dwellings
	Mid terrace	308 dwellings
	Semi-detached / Detached	0
	Special:	0
Total Dwellings:		362 dwellings
Dwelling Types:	Single Family	0
	HMO/Flats	353 dwellings
	Purposed Built Flats	9 dwellings
Total Dwellings:		362 dwellings
Building Types:	Small	0
	Medium	330 dwellings
	Large	32 dwellings
Total Dwellings:		362 dwellings
Construction Date:	Pre-1900	0
	1901-1949	353 dwellings
	1950-Present	9 dwellings
Total Dwellings:		362 dwellings

(Source: Own case study survey, 1994. The External Survey covers all the houses in the area.)

Table 26: Major Facts of Housing Internal Condition Survey in Yu Yuan Garden East Area, Shanghai

The Number of Houses Surveyed in the Area:		75 dwellings	22% of the total
The Number of Households Interviewed:		360 households	20% of the total
Tenure Options:	Owner Occupied	2 dwellings	
	Work Unit Owned	6 dwellings	
	State Owned	67 dwellings	
	Private Rented	0	
Total Dwellings Surveyed:		75 dwellings	
Deficient in any of the Followings:			
	Natural Light	28 dwellings	
	Internal Arrangement	14 dwellings	
	Ventilation	21 dwellings	
	Food Preparation	37 dwellings	
	Fire Protection	7 dwellings	
Total Dwellings Surveyed:		75 dwellings	
Provision of Amenities:	Bathrooms/Toilets	67 dwellings	none
		5 dwellings	shared
		3 dwellings	self-contained
	Total Dwellings:	75 dwellings	
	Kitchens	40 dwellings	none
		27 dwellings	shared
		8 dwellings	self-contained
	Total Dwellings:	75 dwellings	

(Source: Own case study survey, 1994. The Internal Survey covers 20% of households in the area, or 22% of dwellings.)

Table 27: Major Facts of Social Survey: Yu Yuan Garden East Area, Shanghai

The Number of Households Surveyed:		360 households	20% of the total
The Number of Dwellings Surveyed:		75 dwellings	22% of the total
Do you	Own Yours Home:	10 households	
	Rent from the State:	318 households	
	Rent from Work Unit:	32 households	
	Rent from Private:	0	
Total households surveyed:		360 households	
How many rooms does your family have:		1 Room	351 households
		2 Rooms	9 households
		3 Rooms	0
Total households surveyed:			360 households
How long have you lived in your present home:		0- 1 year	20 households
		1-5 years	63 households
		6-10 years	77 households
		11-20 years	85 households
		20 + years	115 households
Total Households Surveyed:			360 households
How did you raise the money if you own your home ?		Own Savings:	10 households
		From Parents:	3 households
		From Work Unit:	0
10 households of 360 households own their property			
What condition would you say your property at present?		Good:	9 households
		Fair:	70 households
		Poor:	215 households
		Bad:	66 households
Total Households Surveyed:			360 households
How do you think your area can be improved ?			
	a. Demolishing the worst houses, removing residents:		73 households
	b. Demolishing the worst houses, move back residents:		189 households
	c. Helping tenants to improve their properties:		98 households
Total Households Surveyed:			360 households

(Source: Own case study survey, 1994. The Internal Survey covers 20% of households in the area, or 22% of dwellings.)

Appendix 4

Illustrations

Page

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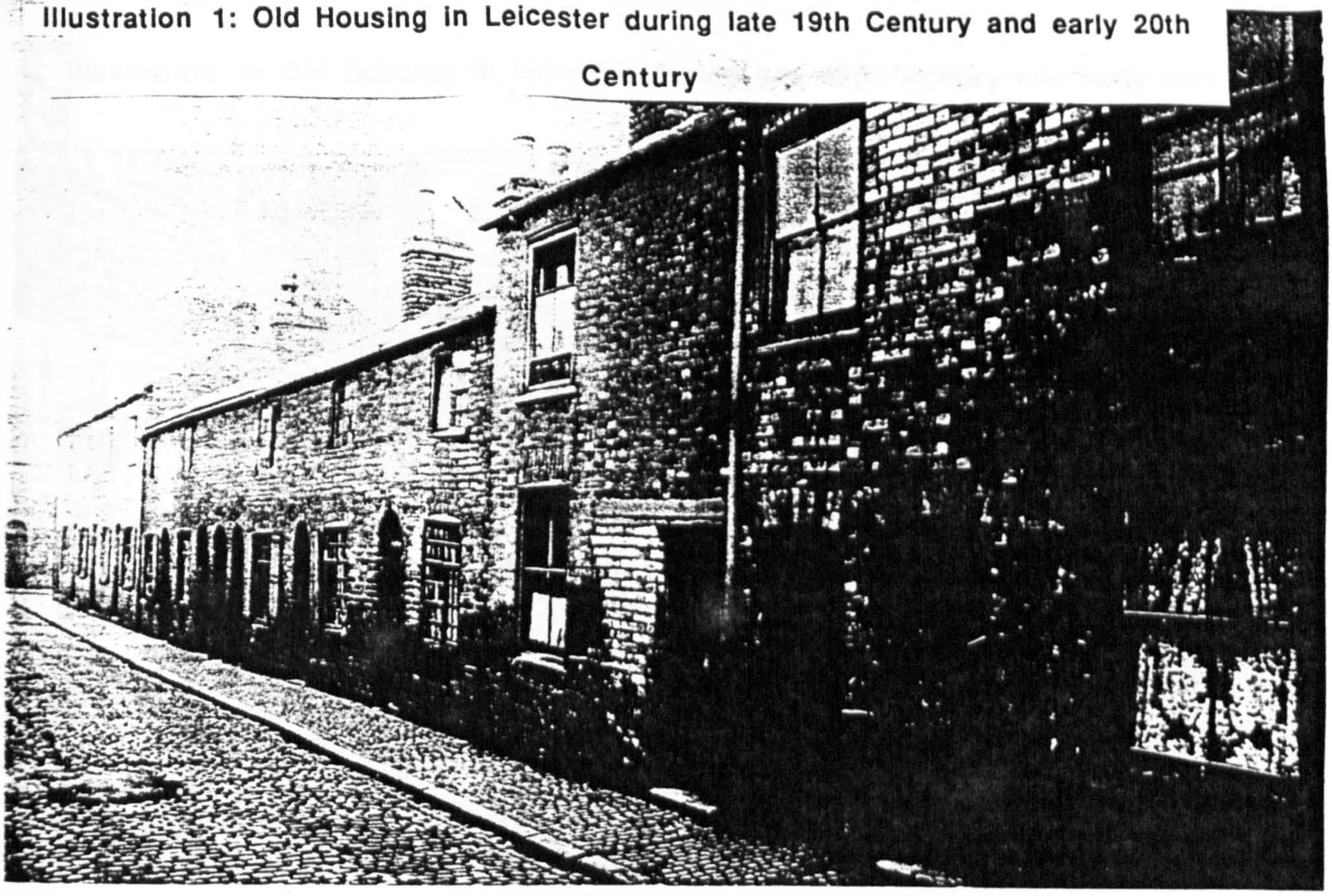
Contents:

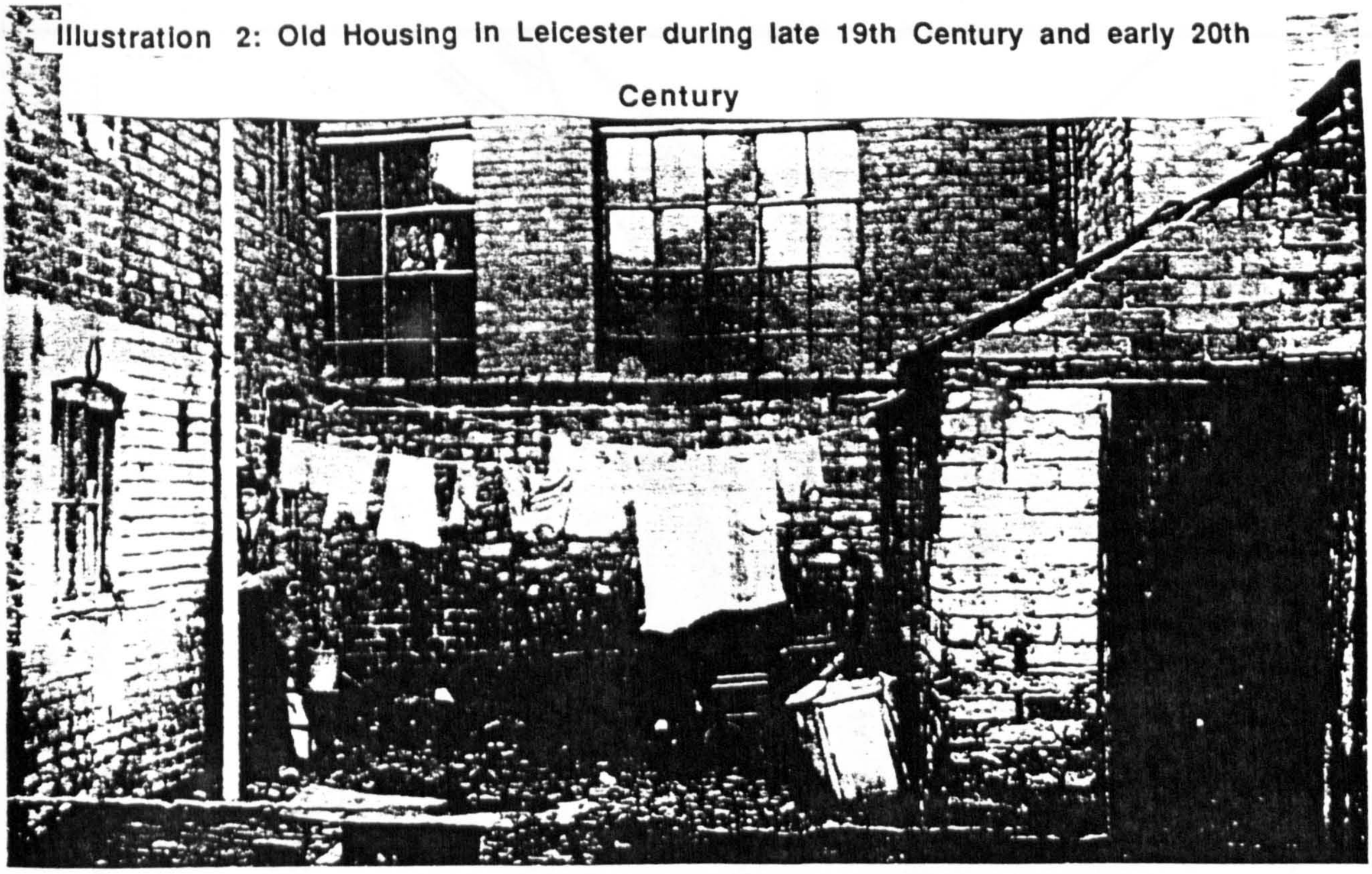
Illustration 1: Old Housing in Leicester during late 19th Century and early 20th Century



A view of Green Street looking towards Lower Green Street, demolished 1937

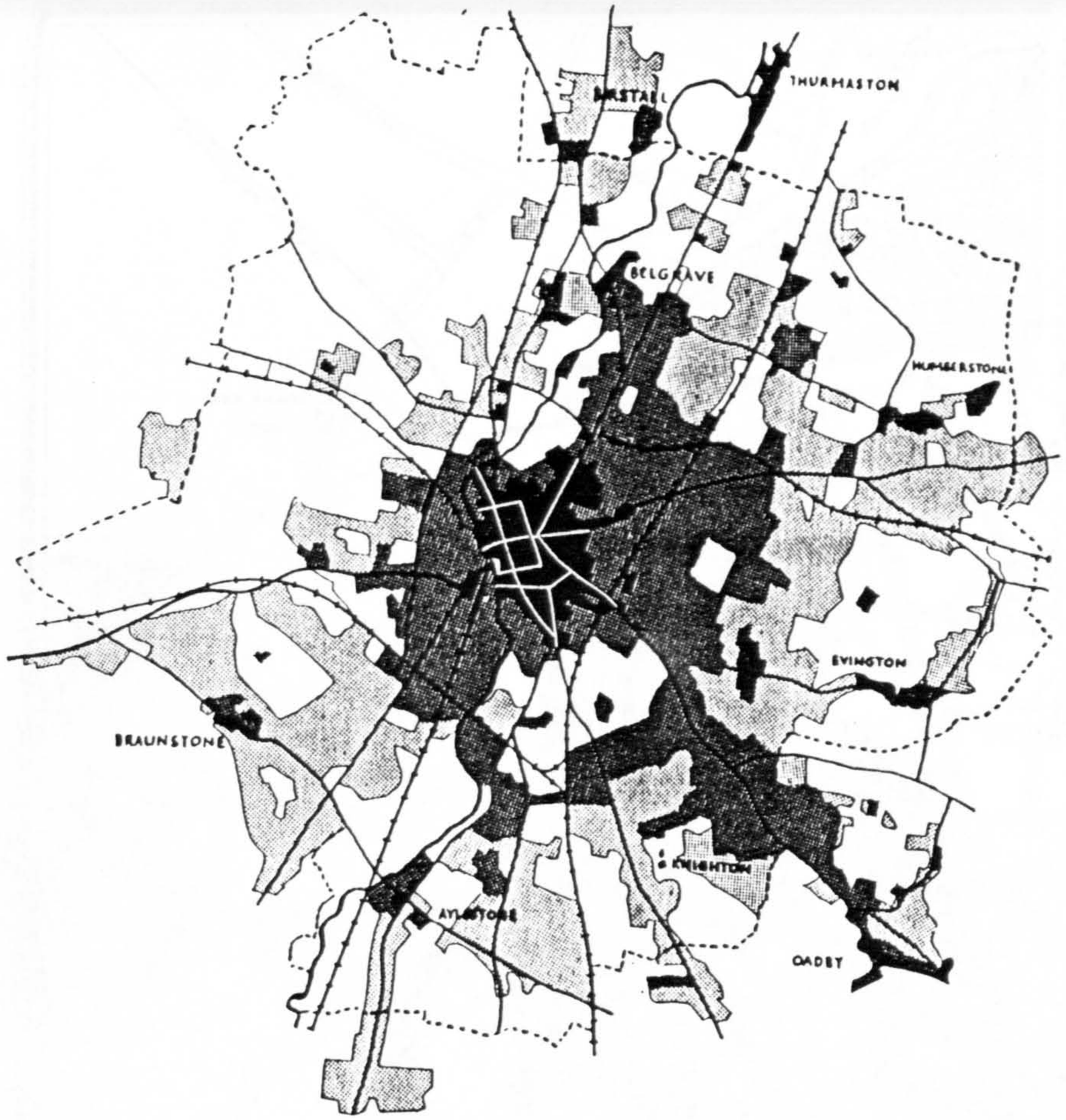
A court off Belgrave Gate, behind number 105, demolished in 1937

Illustration 2: Old Housing in Leicester during late 19th Century and early 20th Century



A court off Burleys Lane, demolished in 1937

Housing to the rear of Dannett Street on the 7th estate of the Freehold Land Society



Medieval walled area and probably Roman

Up to the Industrial Revolution *c.* 1820

First Industrial spread, 19th century and up to 1914

Second Industrial spread, 20th century up to 1939

Illustration 3: The Growth of Leicester (Source: Paterson,1975)

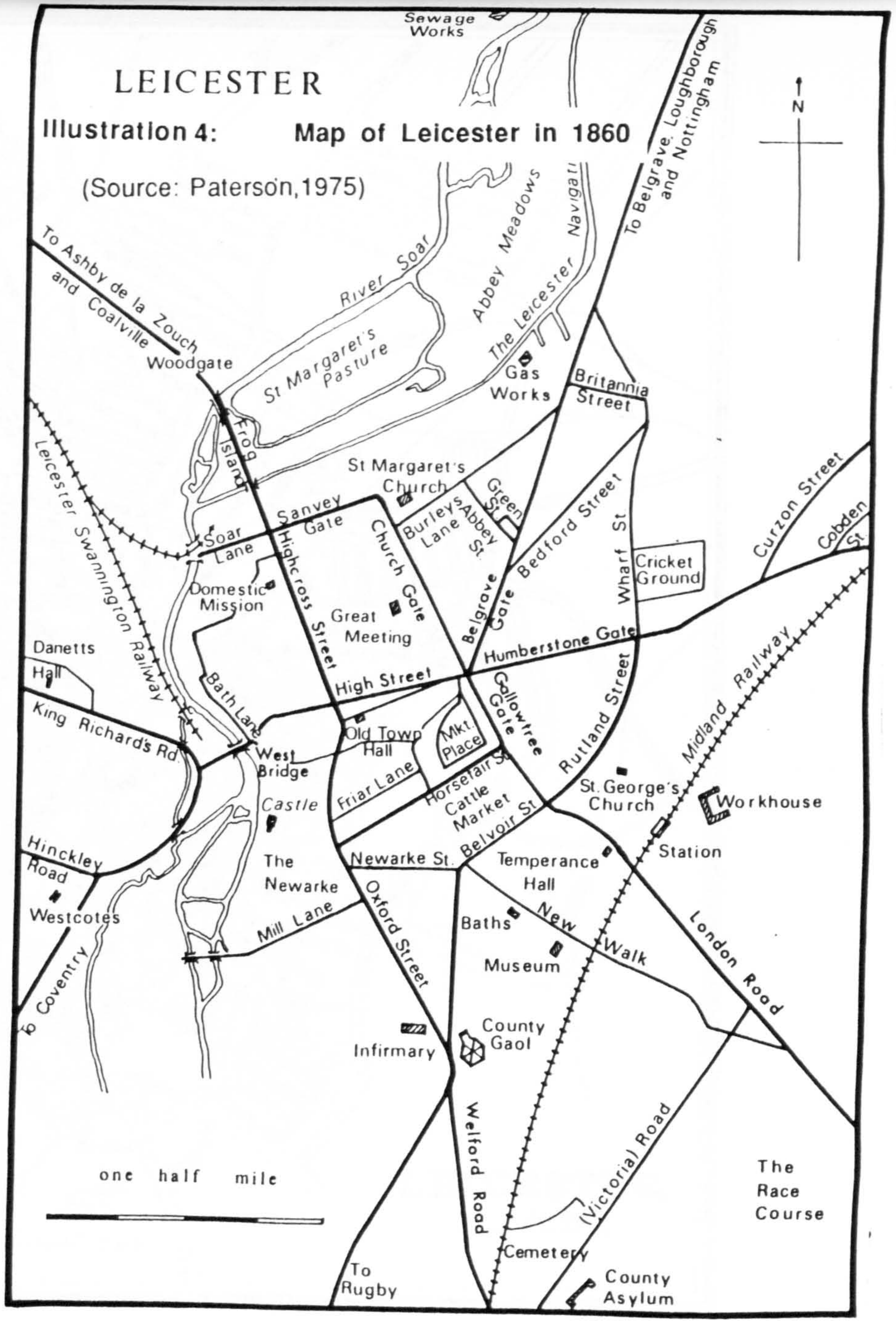


Illustration 4: Map of Leicester in 1860

(Source: Paterson,1975)

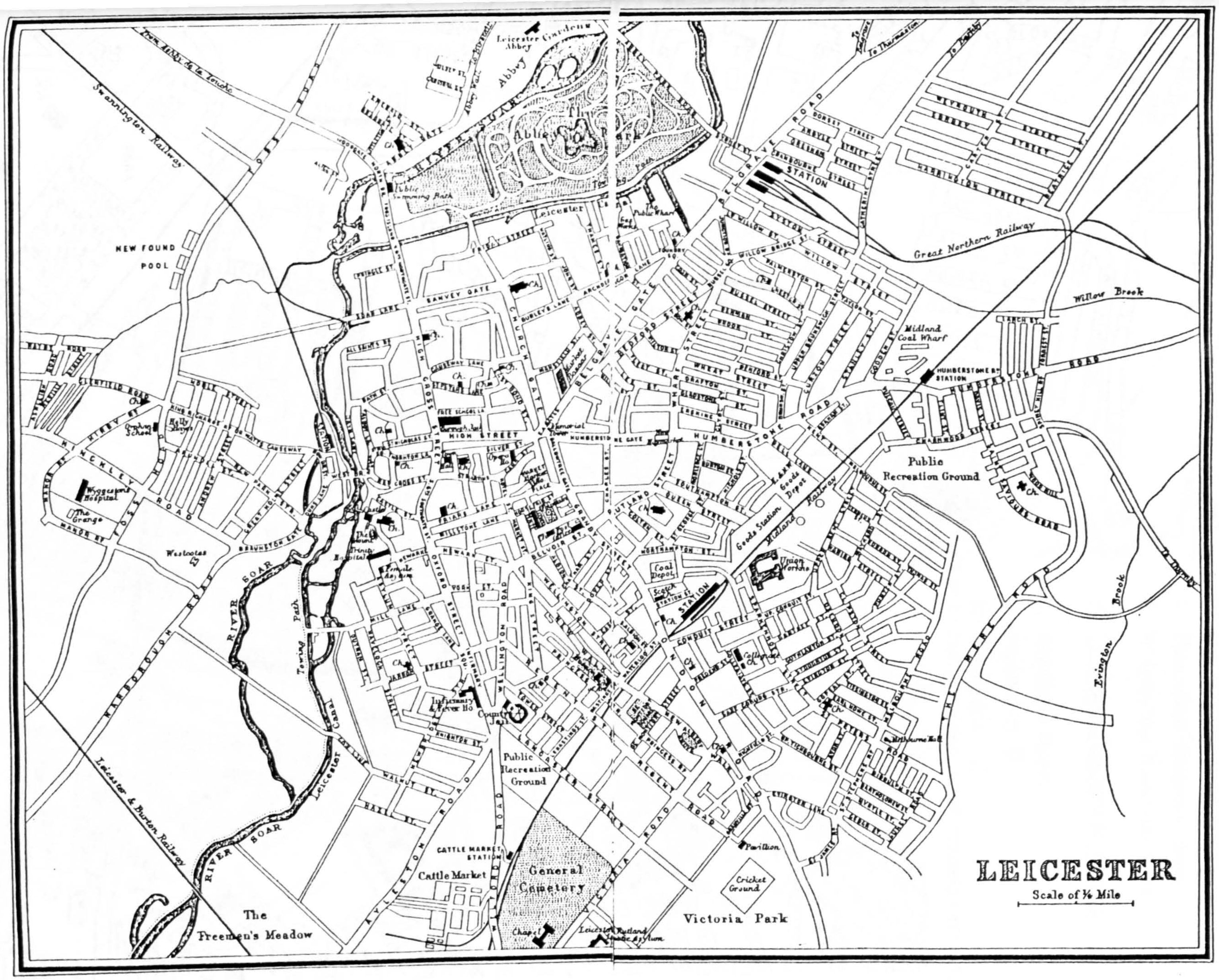


Illustration 5: **Map of Leicester In 1885** (Source: Paterson,1975)

Illustration 6: Neighbourhood Renewal Assessment in West End of Leicester

Neighbourhood Renewal Assessment.

Study Area Boundary ——

1. Daneshill Renewal Area
2. Westcotes Renewal Area

Proposed Renewal Areas

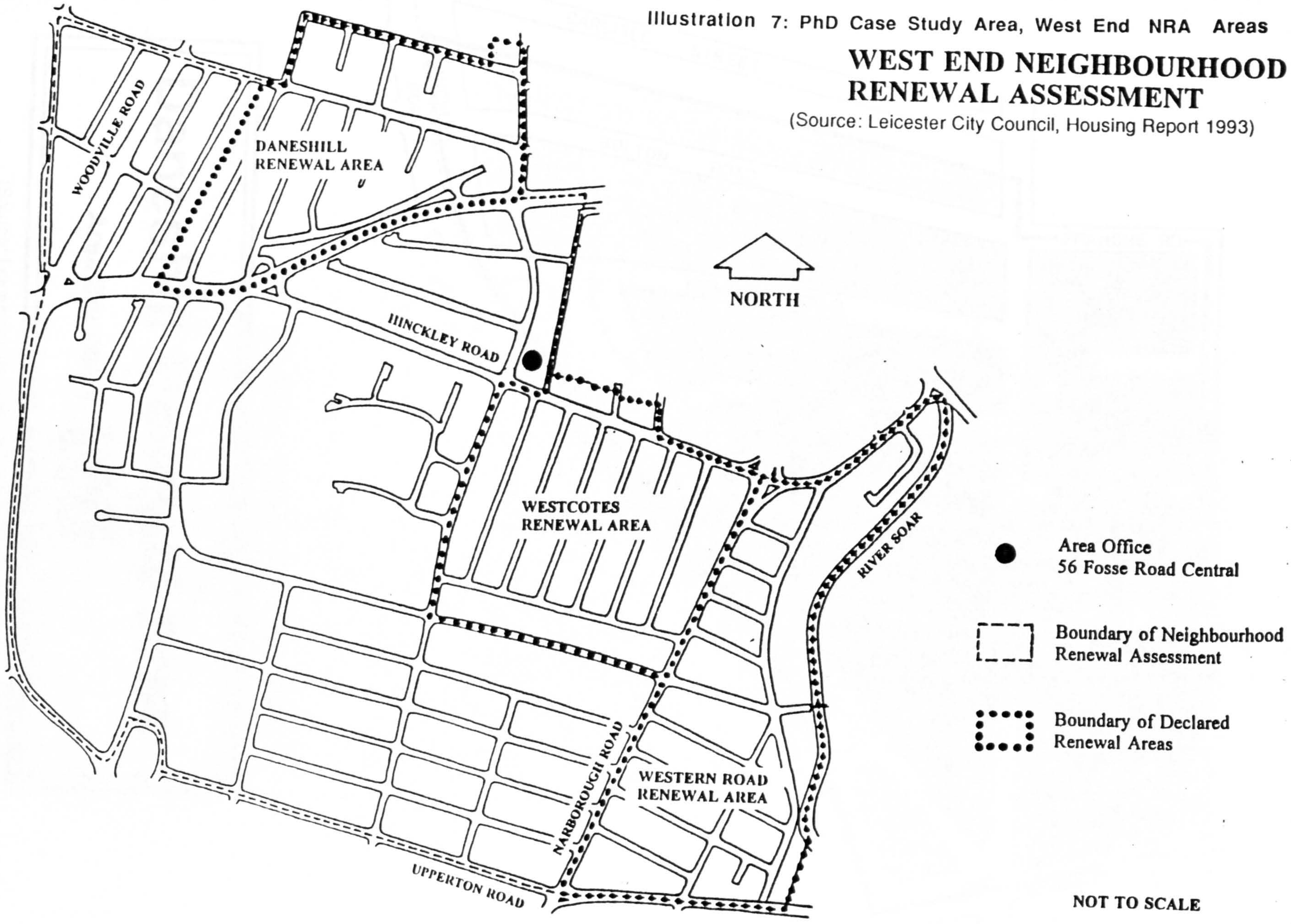
3. Western Road
4. Daneshill II
5. Westcotes II

(Source: Leicester City Council, Housing Report 1993)

Illustration 7: PhD Case Study Area, West End NRA Areas

WEST END NEIGHBOURHOOD RENEWAL ASSESSMENT

(Source: Leicester City Council, Housing Report 1993)



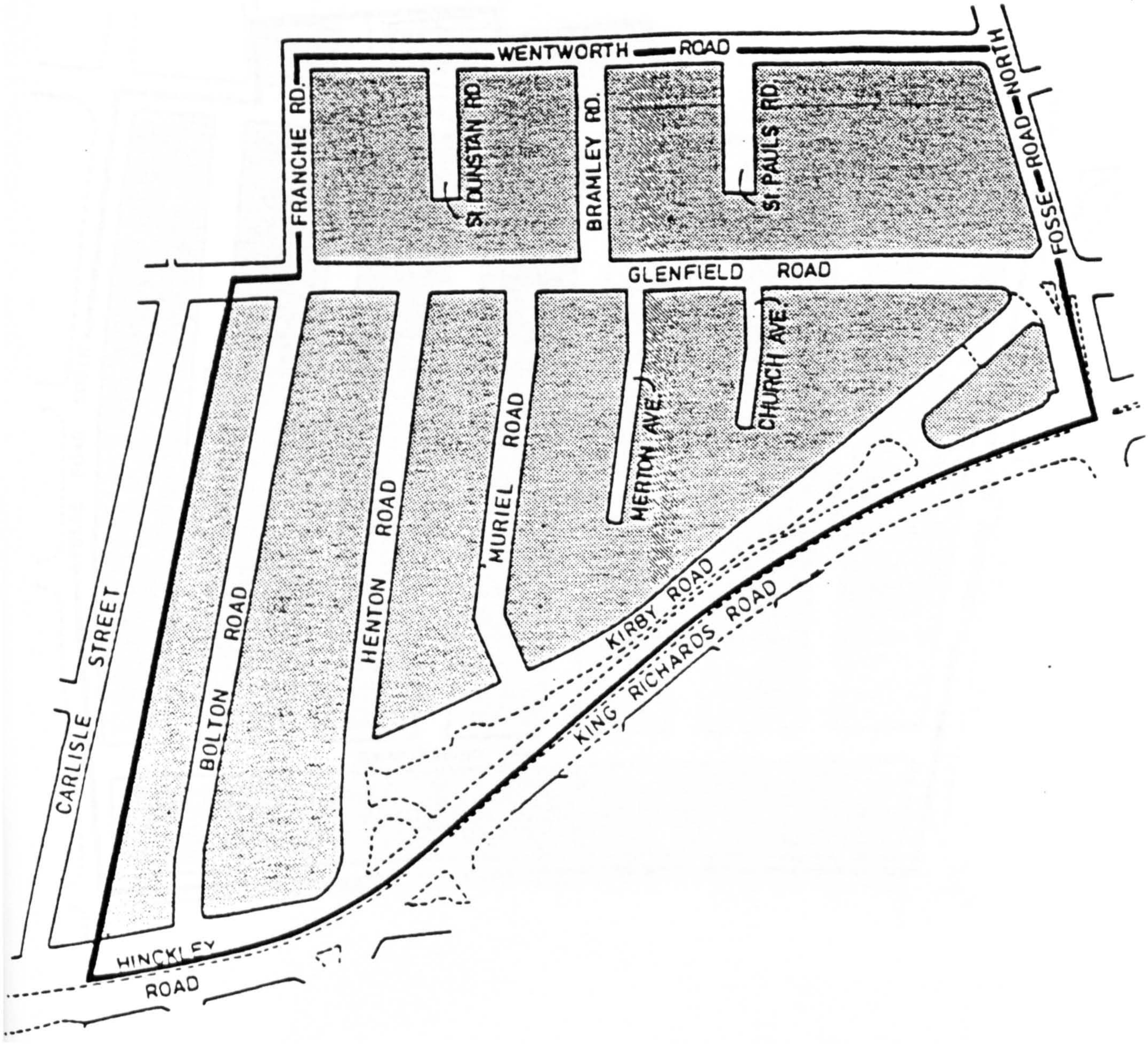


Illustration 8: Daneshill Renewal Area

Daneshill Renewal Area

Area Boundary

(Source: Leicester City Council, Housing Report 1993)

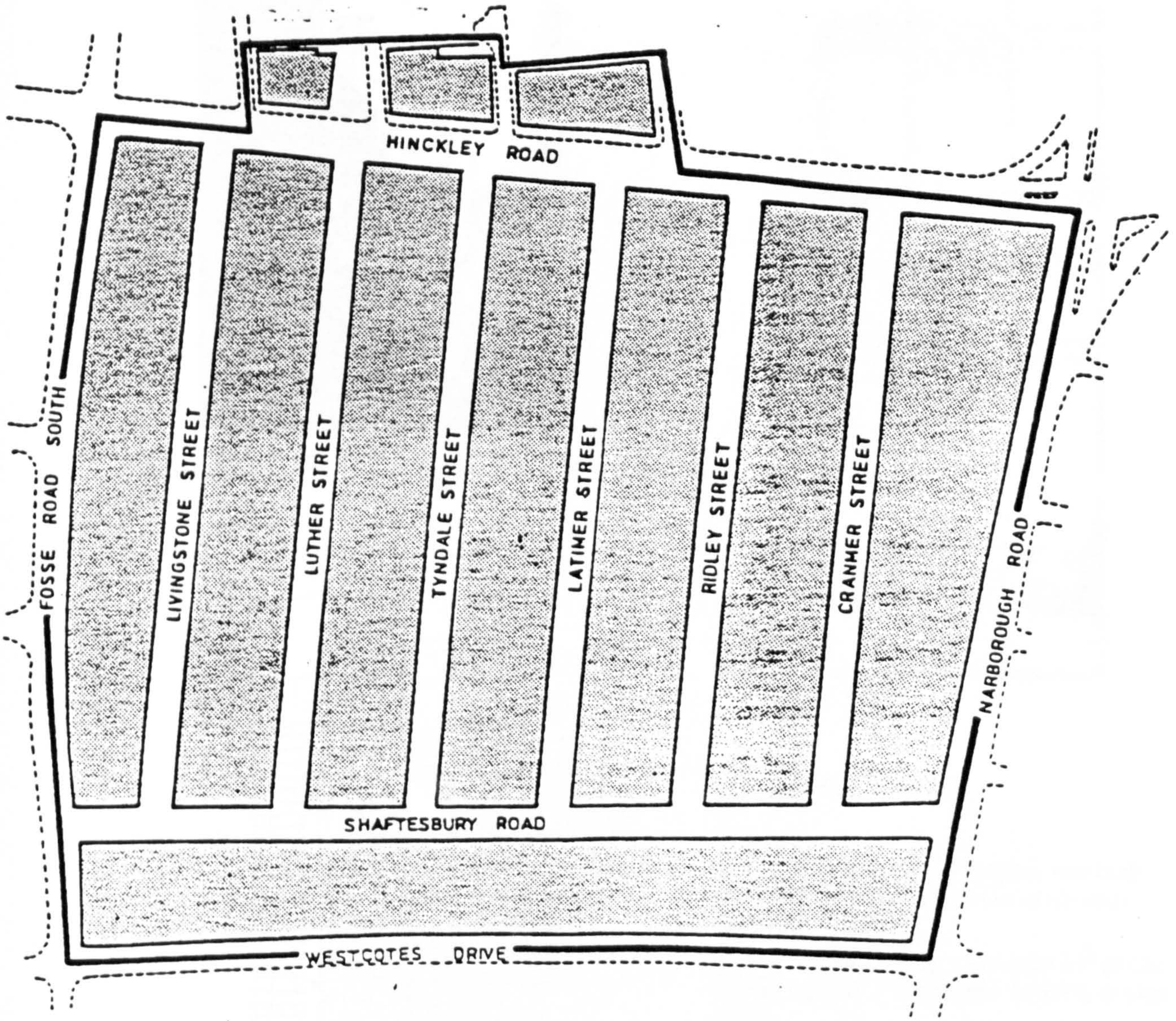


Illustration 9: Westcotes Renewal Area

Westcotes Renewal Area

Area Boundary

(Source: Leicester City Council, Housing Report 1993)

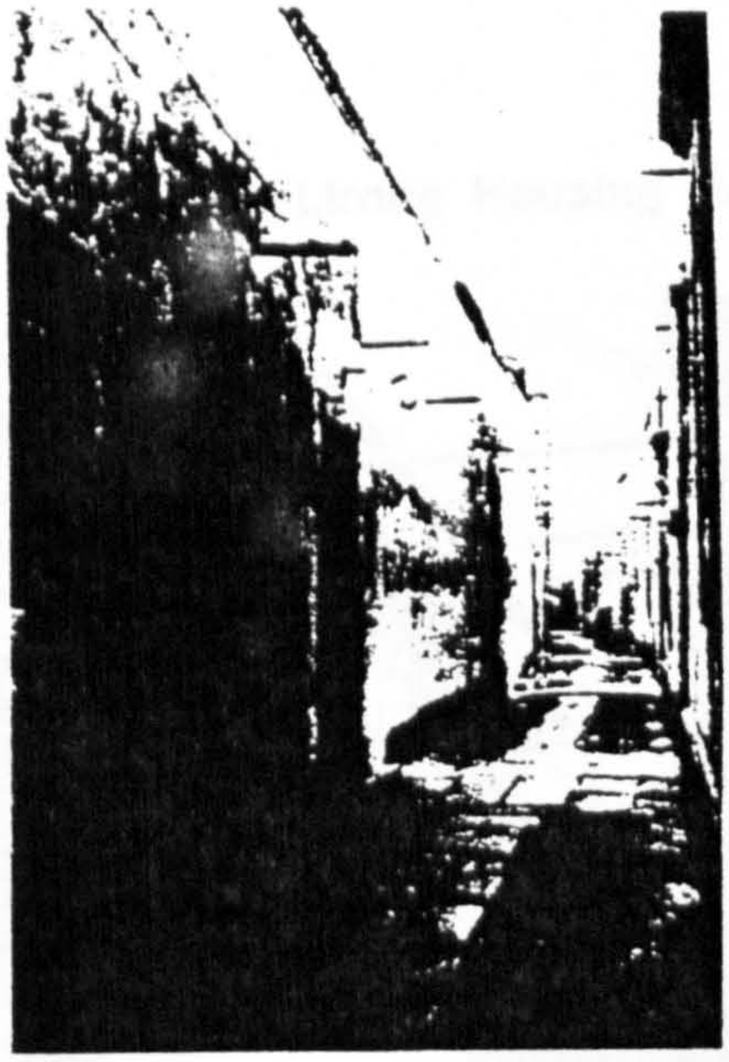
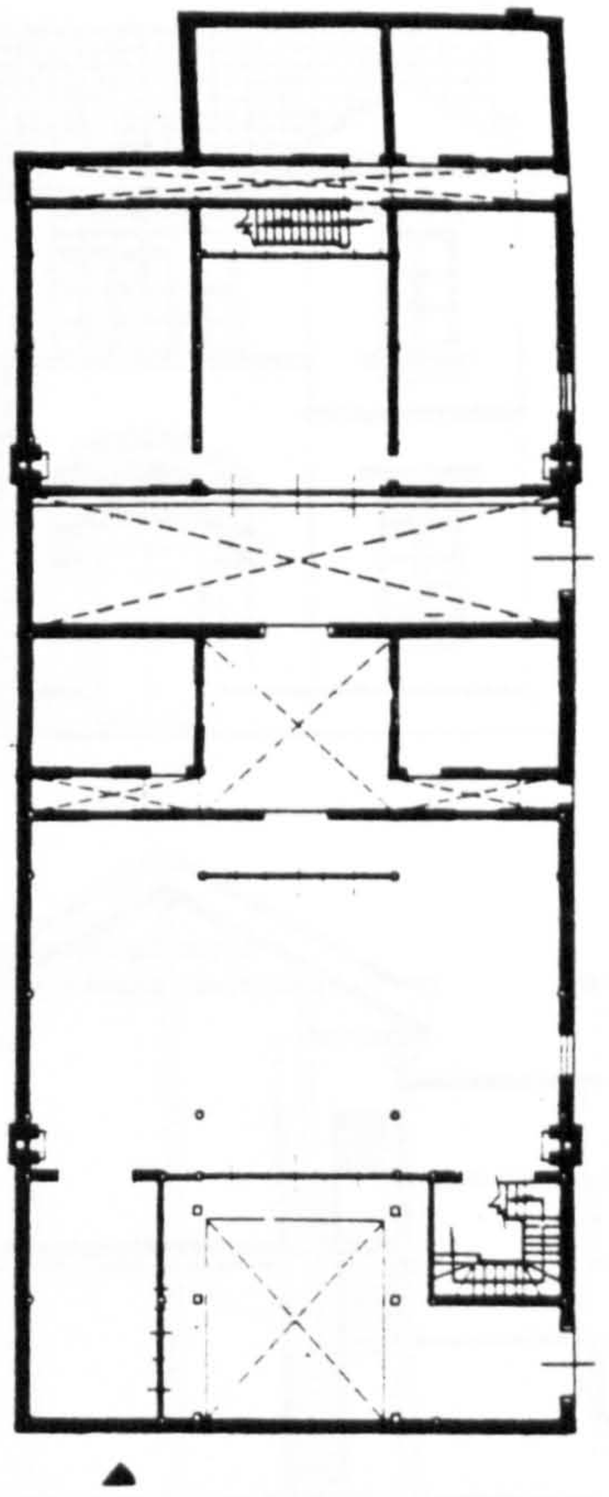
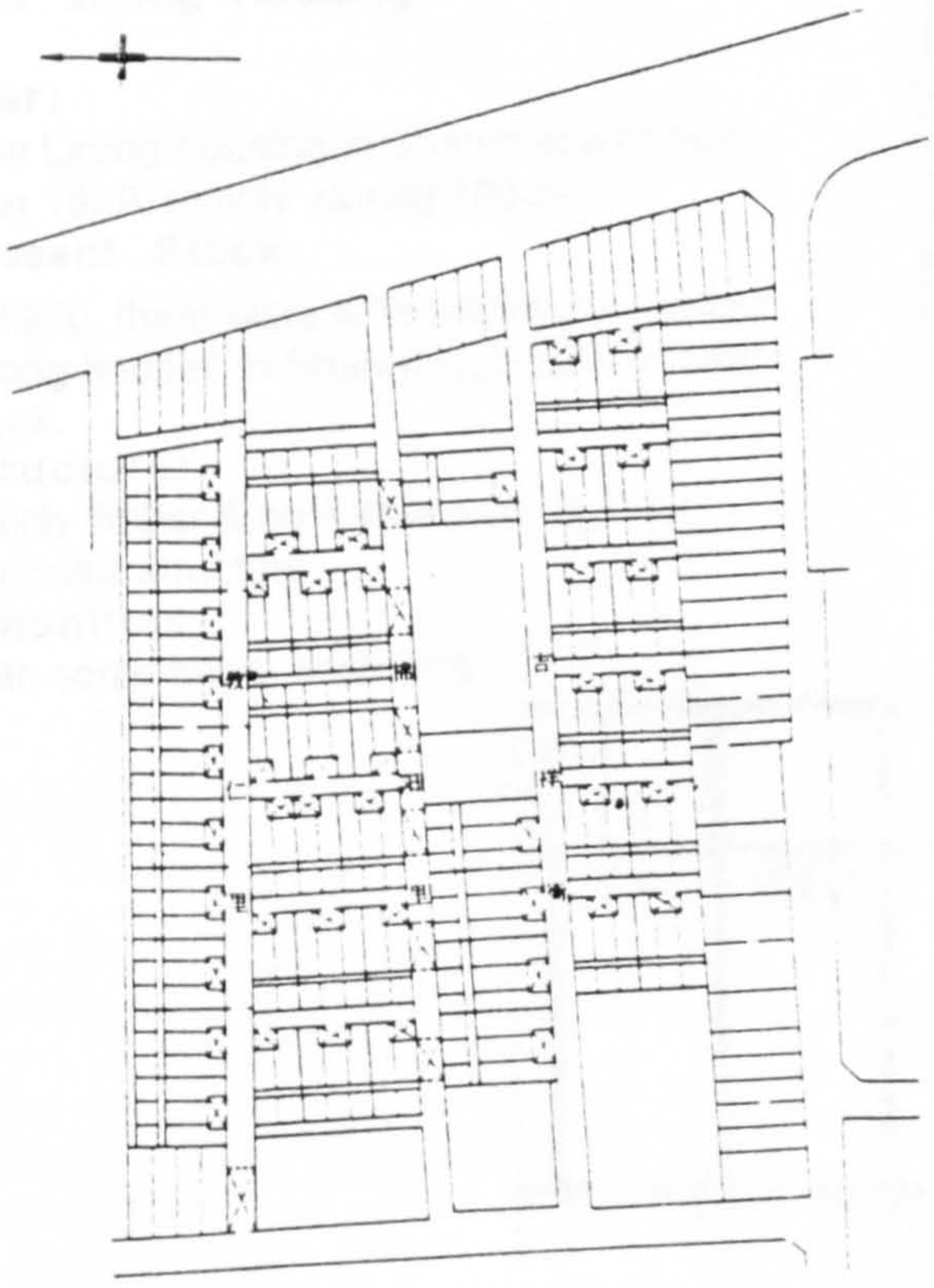


Illustration 10: Old Lirong Housing in Shanghai





Old Lirong Housing

Year:
Old Lirong housing in Shanghai was built after 1853, mainly between 1910-1930.

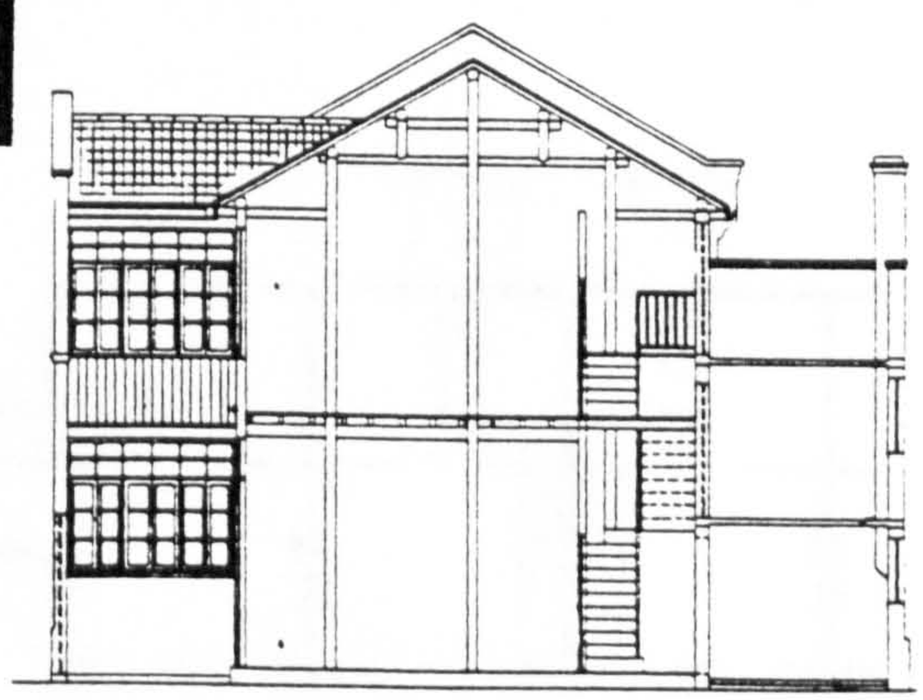
Present Stock:

In 1990, there were 30.67 million m^2 of Old Lirong houses in Shanghai, 34.46% of total stock.

Structure:
Mainly timber structure, partially brick.

Amenities:
Most of them with no amenities.

Illustration 11: New Lirong Housing in Shanghai



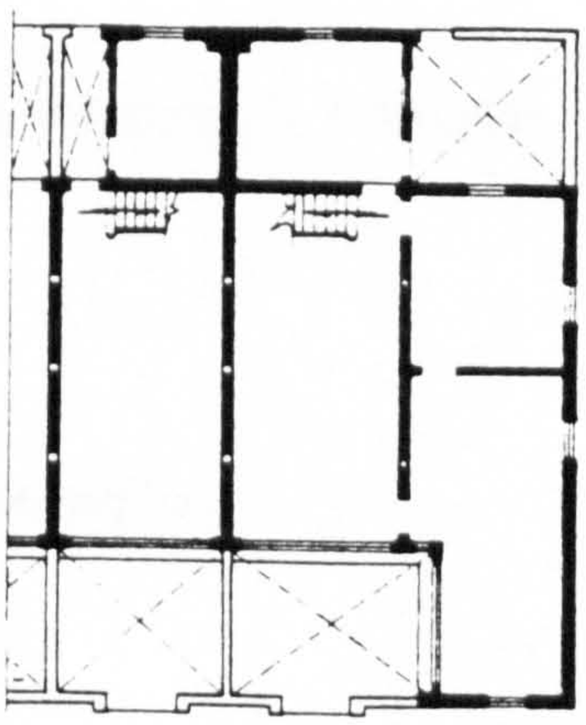
New Lirong Housing

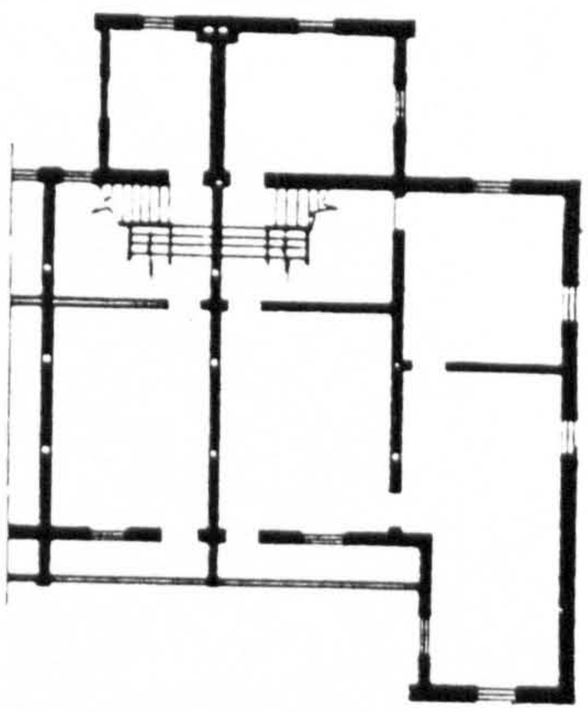
Year:
New Lirong housing in Shanghai was built after 1920, mainly during 1930s.

Present Stock:
In 1990, there were 4.74 million m^2 of New Lirong houses in Shanghai, 5.33% of total stock.

Structure:
Mainly timber & brick structure, partially concrete structure.

Amenities:
With some basic amenities.





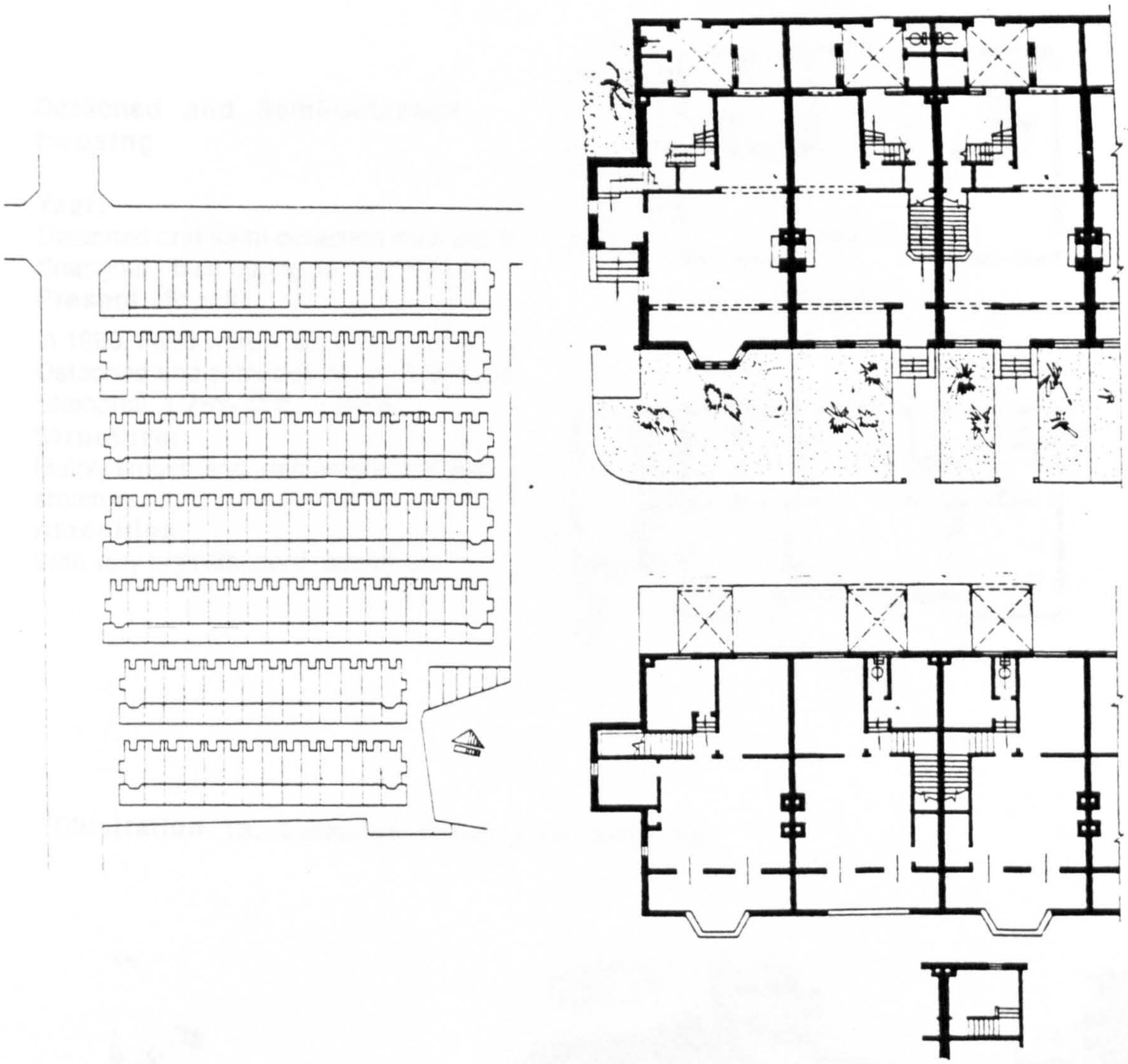


Illustration 12: Garden Lirong Housing in Shanghai

Garden Lirong Housing

Year:
Special type of New Lirong housing built around 1940s.
Structure:
Reinforced concrete structure.
Amenities:
With all high standard amenities.

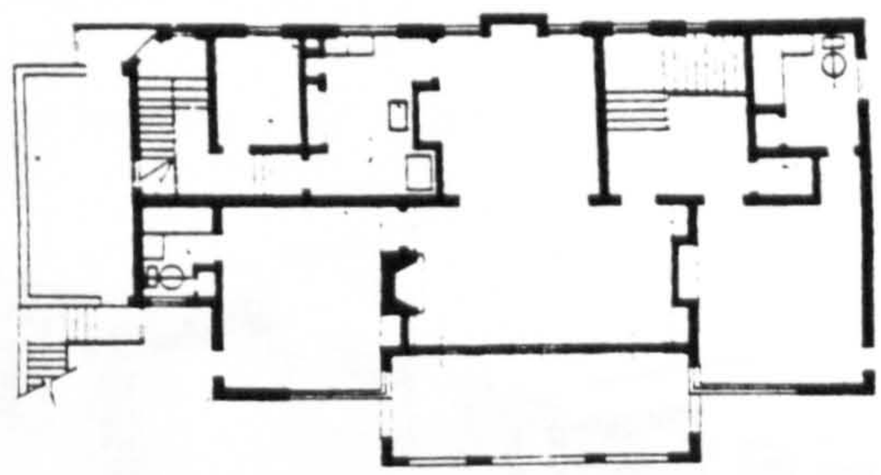
Detached and Semi-detached Housing

Year:
Detached and semi-detached housing in Shanghai built during 1930s-1940s.

Present Stock:
In 1990, there were 1.58 million m^2 of Detached and semi-detached houses in Shanghai, 1.78% of total stock.

Structure:
Mainly timber and reinforced concrete structure.

Amenities:
With very high standard amenities.



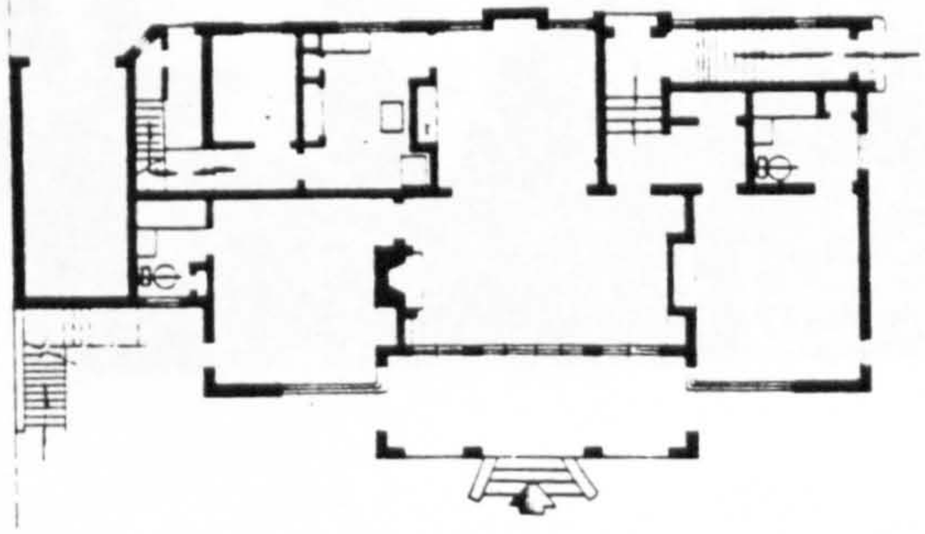


Illustration 13: Detached Housing in Shanghai

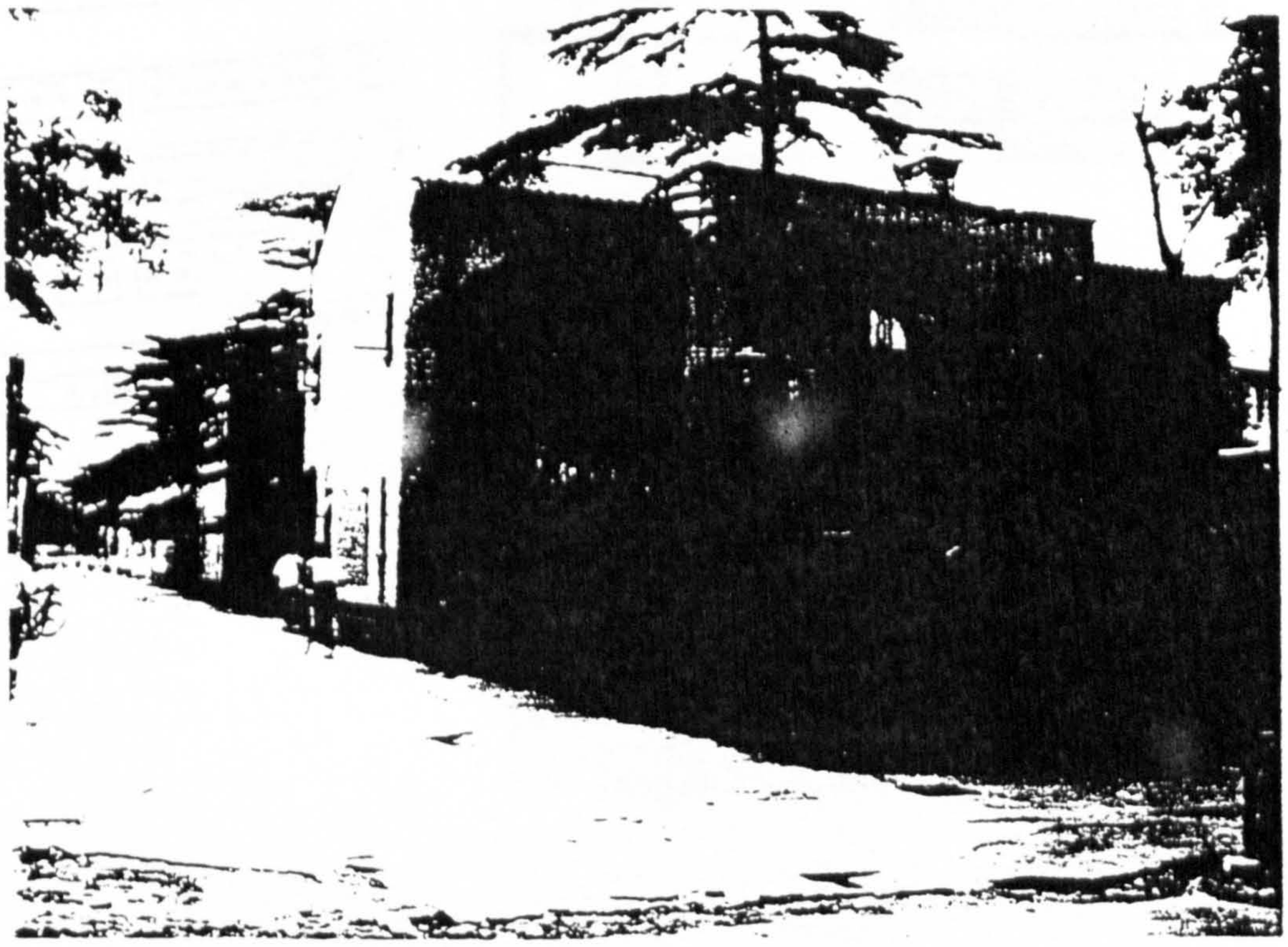
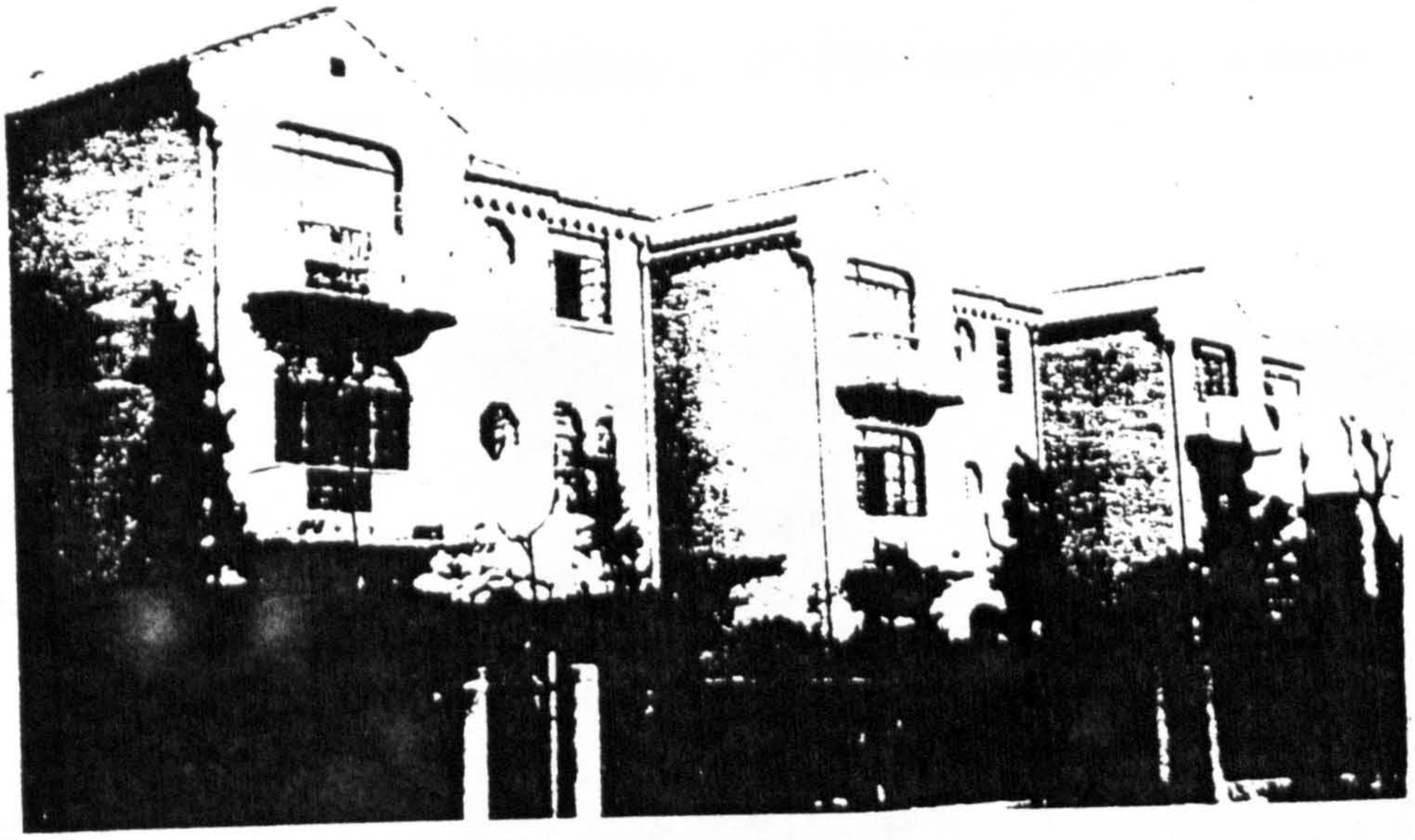


Illustration 14: Semi-detached Housing in Shanghai



Old Apartment:

Year:

Old Apartment housing in Shanghai was built after 1930, mainly during 1930s-1940s.

Present Stock:

In 1990, there were 1.18 million m^2 of Old Apartment houses in Shanghai, 1.33% of total stock.

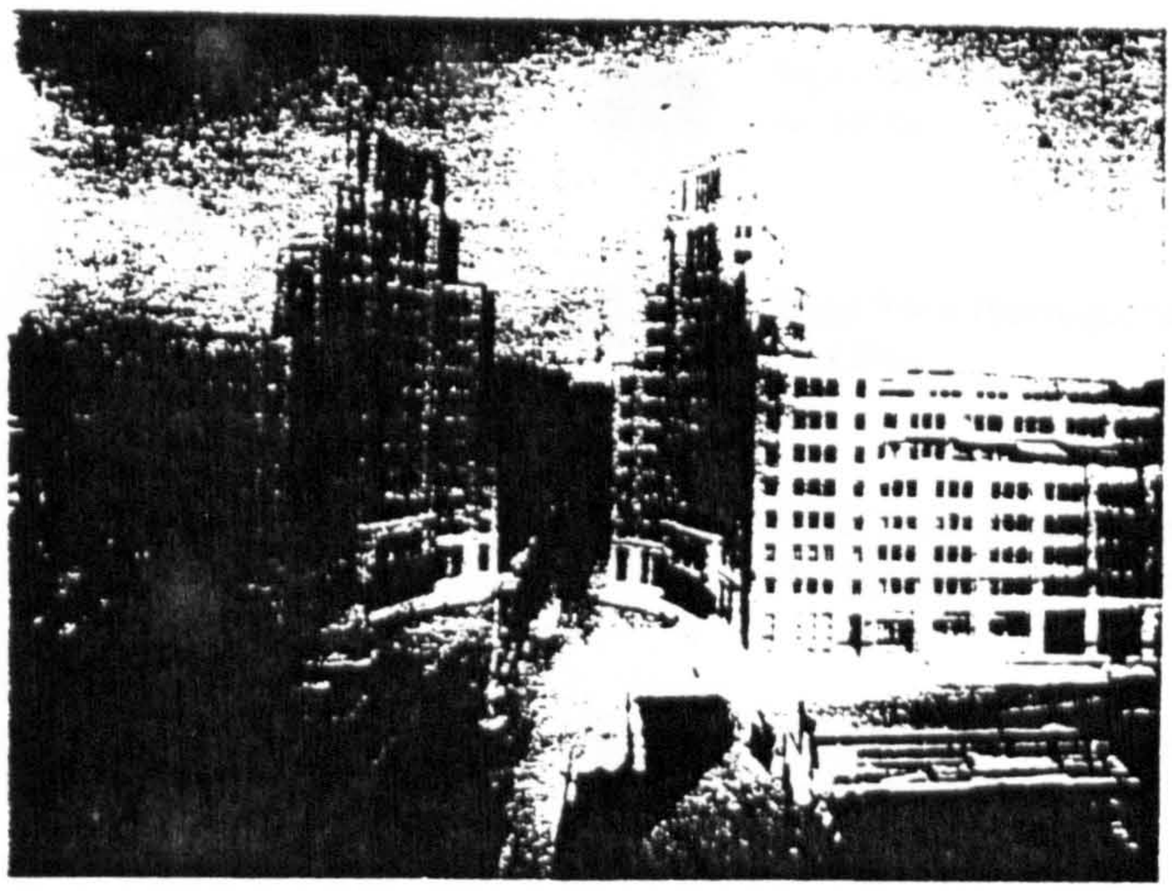
Structure:

Reinforced concrete structure.

Amenities:

With very high standard amenities.

Illustration 15: Old Apartments in Shanghai



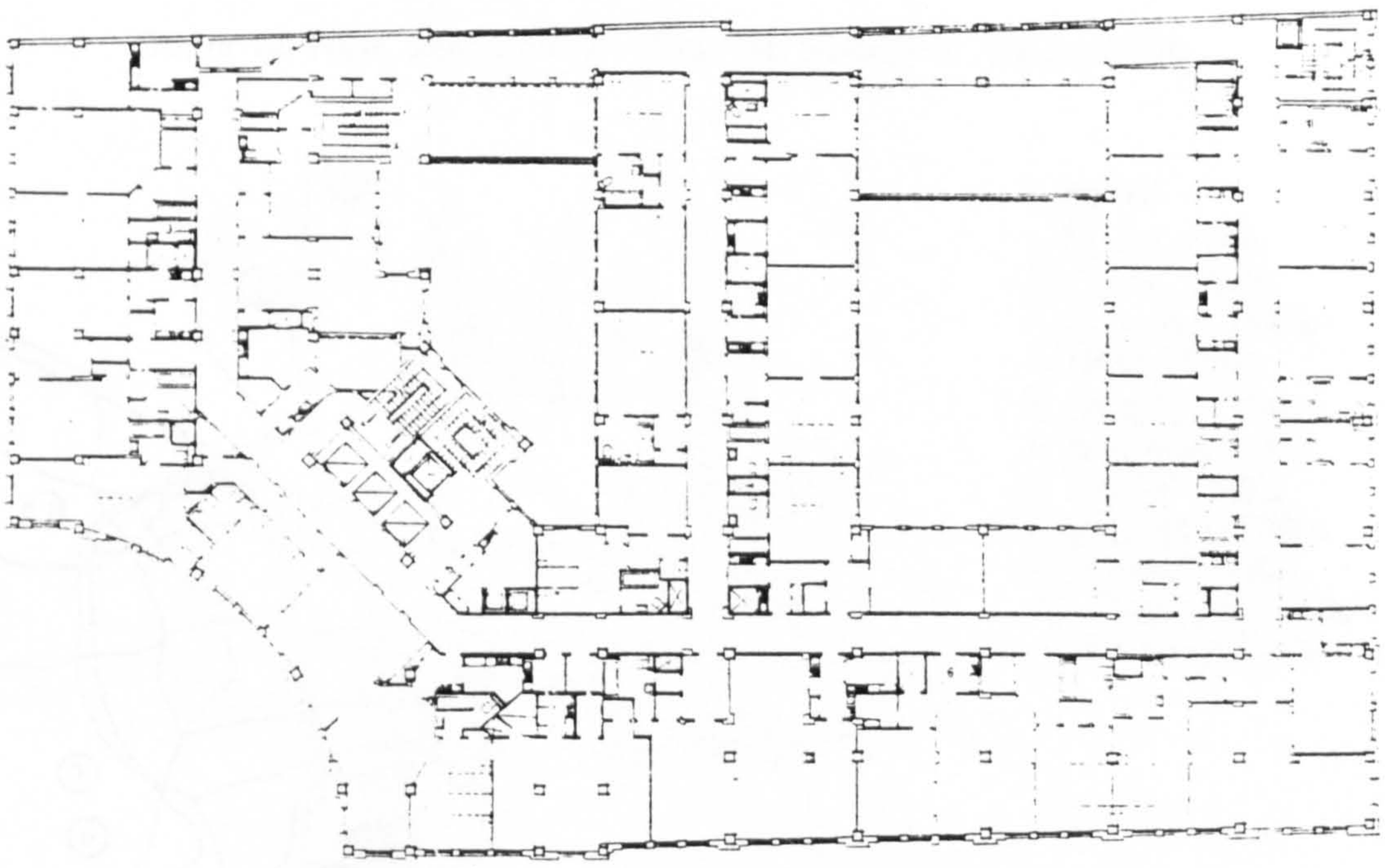
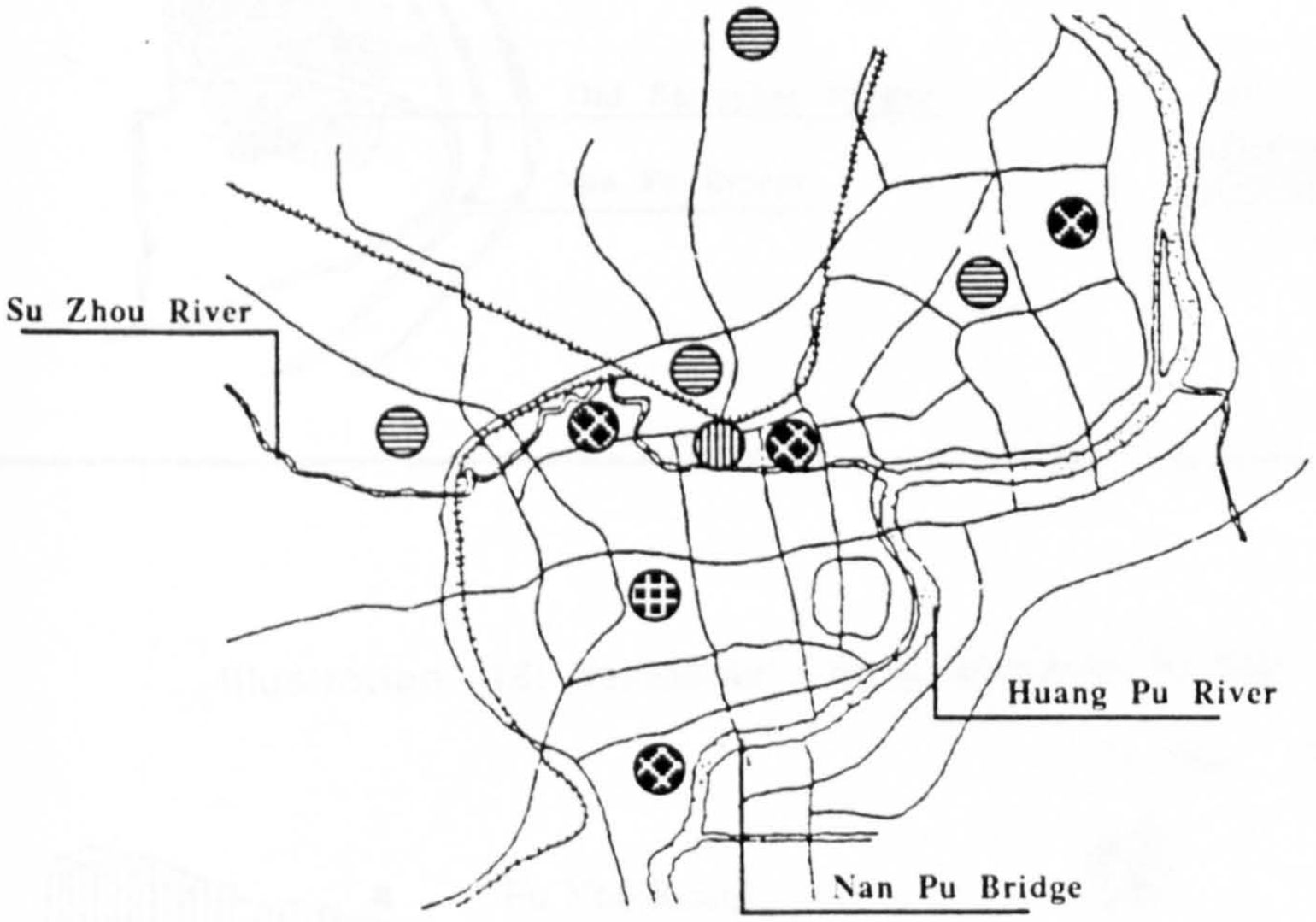
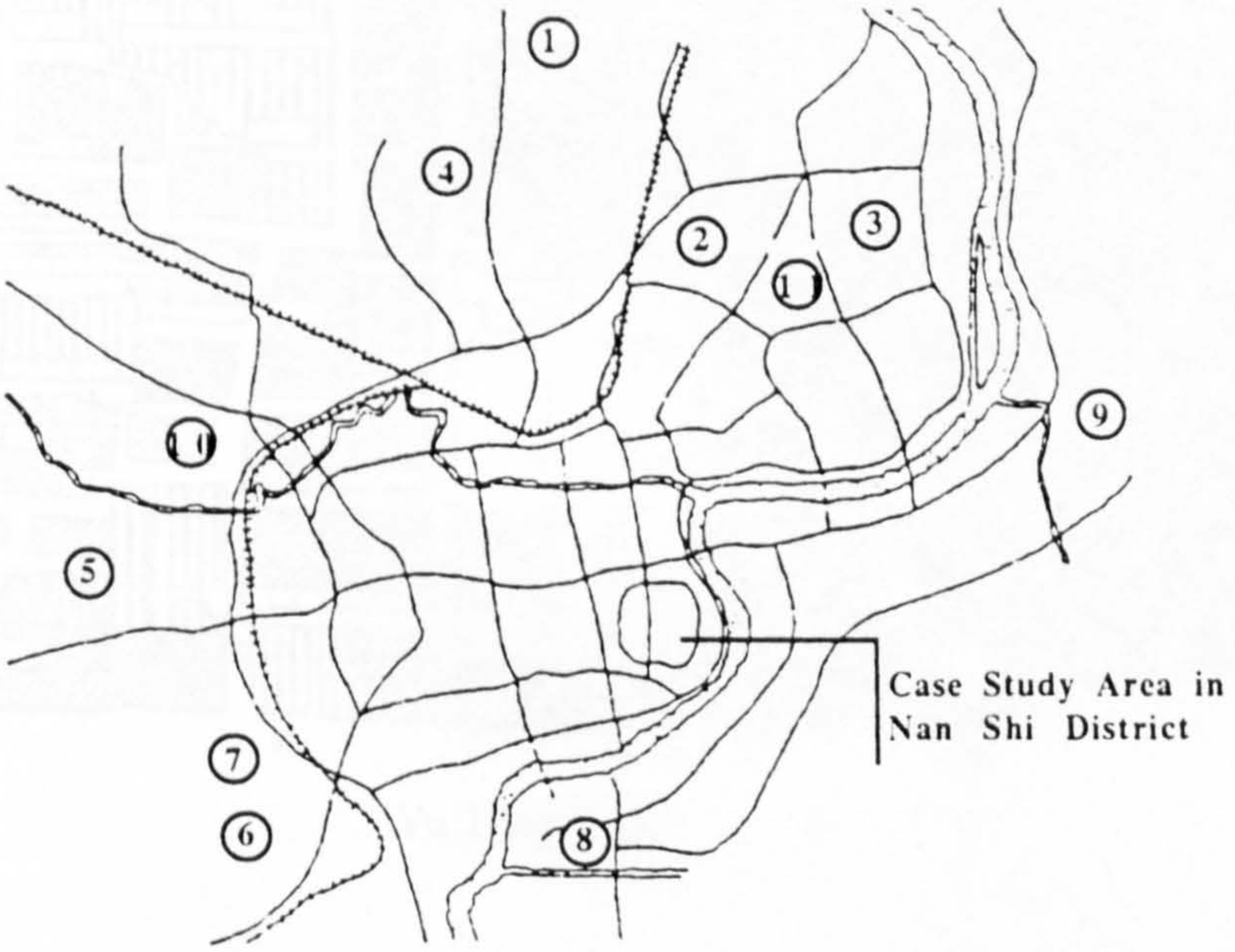


Illustration 16: The Progress of Housing Renewal and New Residential Areas in Shanghai

The Progress of Housing Renewal in Shanghai 1950s-1990s



Some of New Residential Areas in Shanghai Since 1950s



Legend

1. Penpu 1970s
2. Quyan 1980s
3. Changbai 1980s
4. Hutai 1980s
5. XianXia 1980s
6. Kangjian 1980s
7. Tianlin 1980s
8. Shangnan 1980s
9. Hudong 1980s
10. Chaoyang 1950s
11 Anshang 1960s

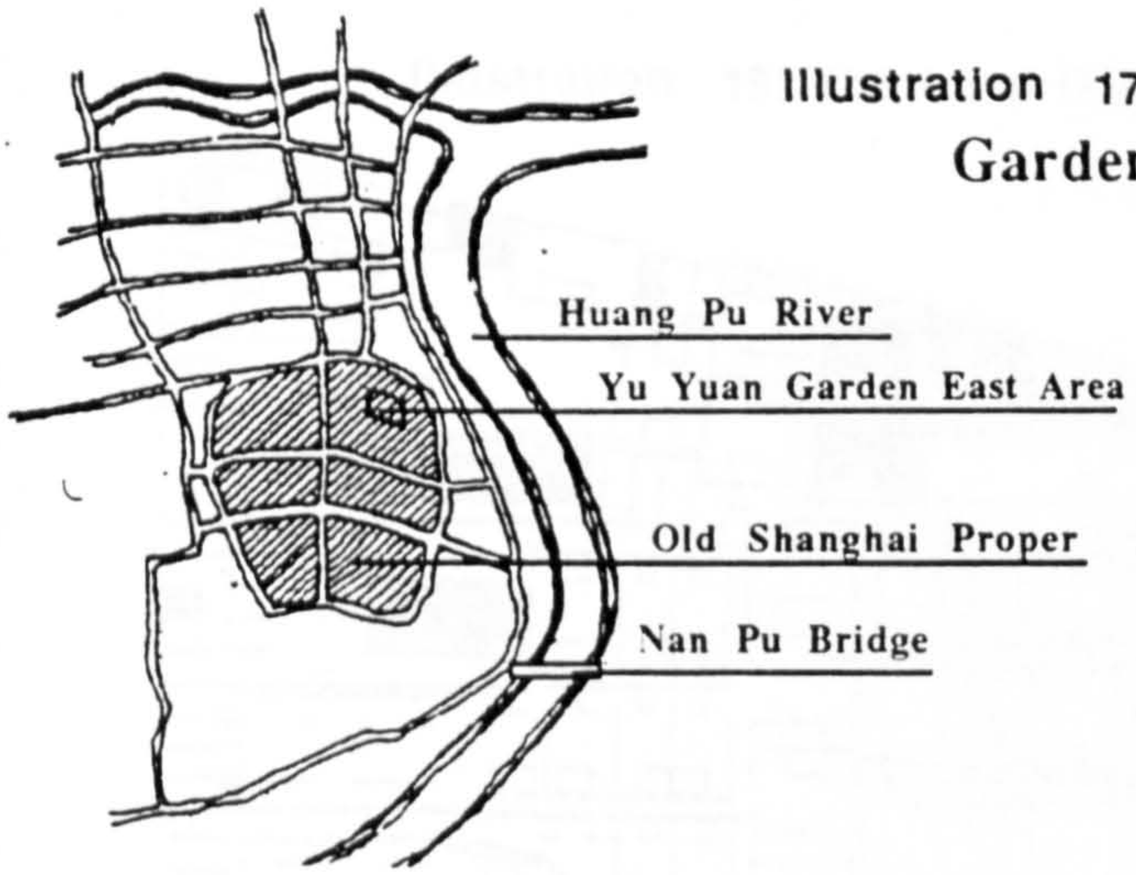


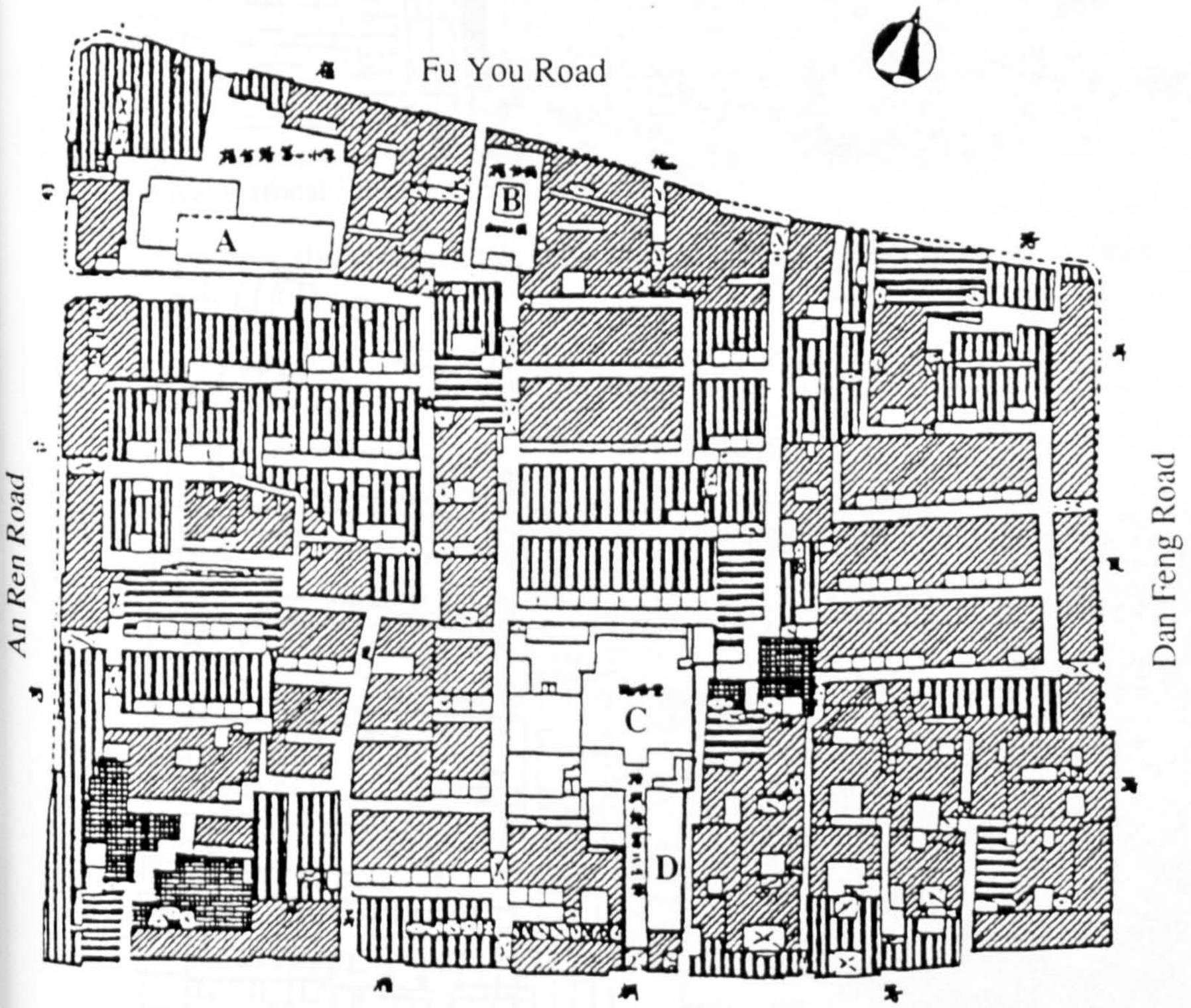
Illustration 17: Old Shanghai Proper and Yu Yuan Garden East Area

KEY

Old Shanghai Proper

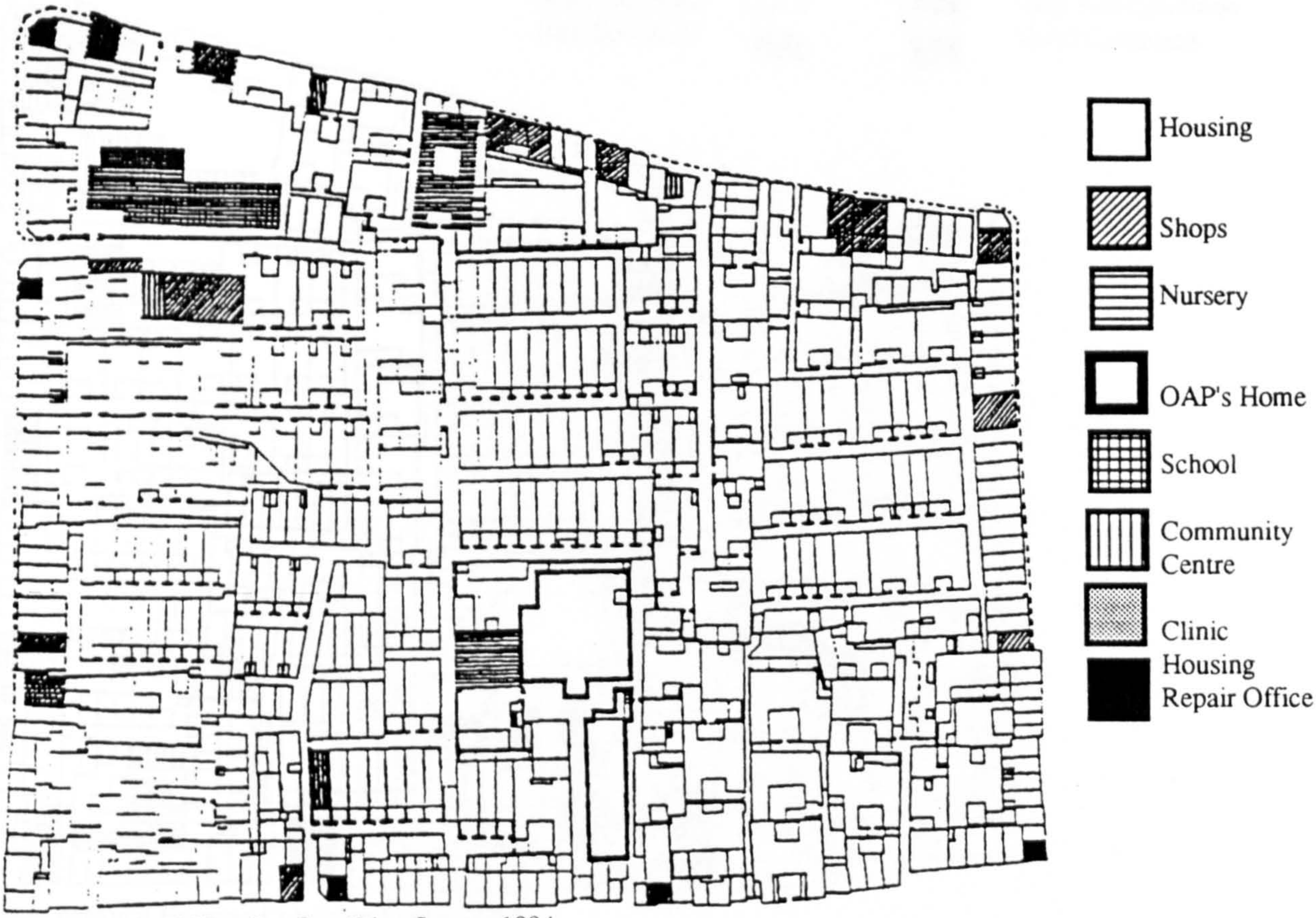
Illustration 18: Residents' Living Space in Yu Yuan Garden East Area 1994

(Source: own survey, March-April 1994)



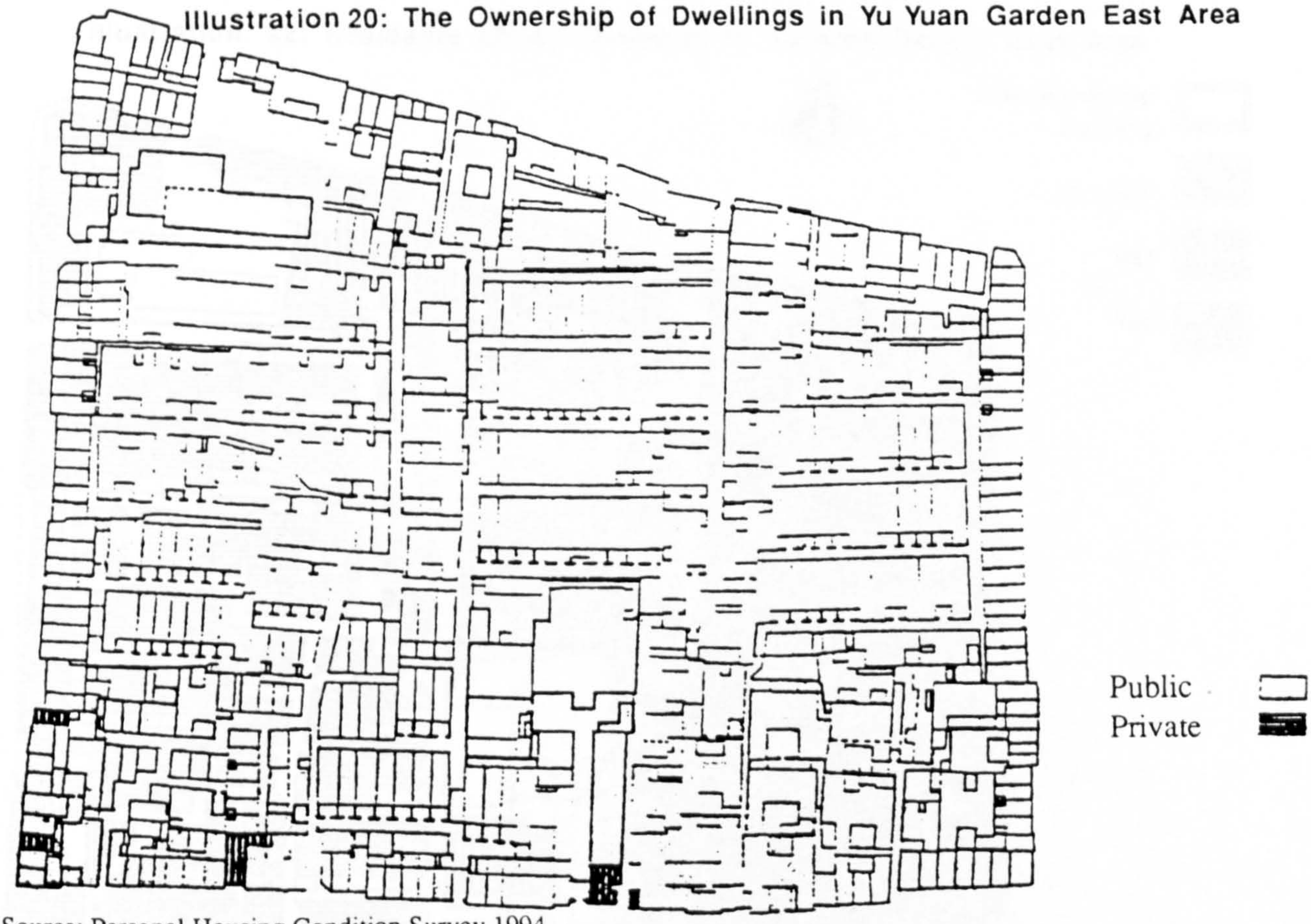
A. School
B. Nursery
C. Church
D. School

Illustration 19: The Land Use in Yu Yuan Garden East area



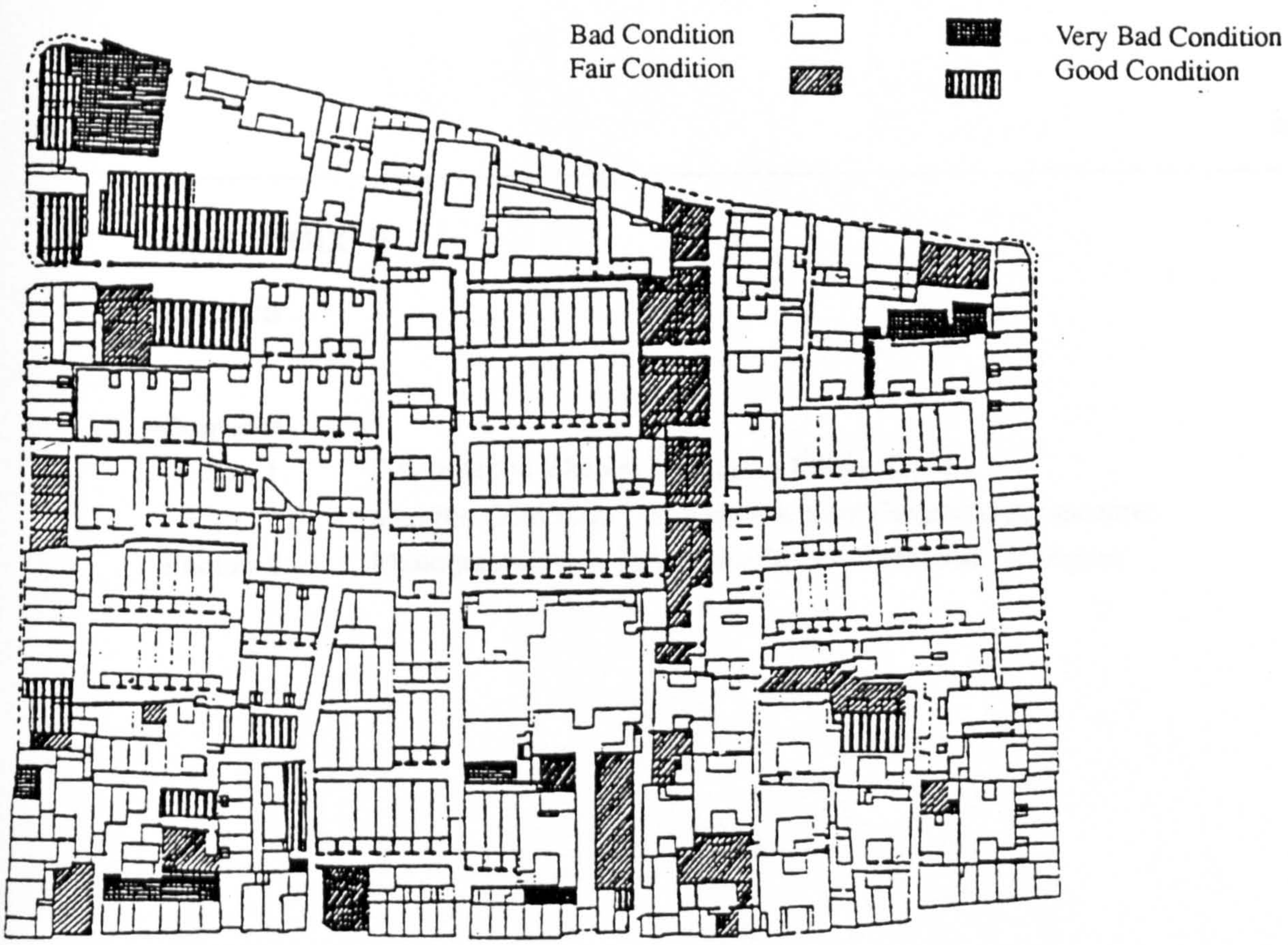
Source: Personal Housing Condition Survey 1994

Illustration 20: The Ownership of Dwellings in Yu Yuan Garden East Area



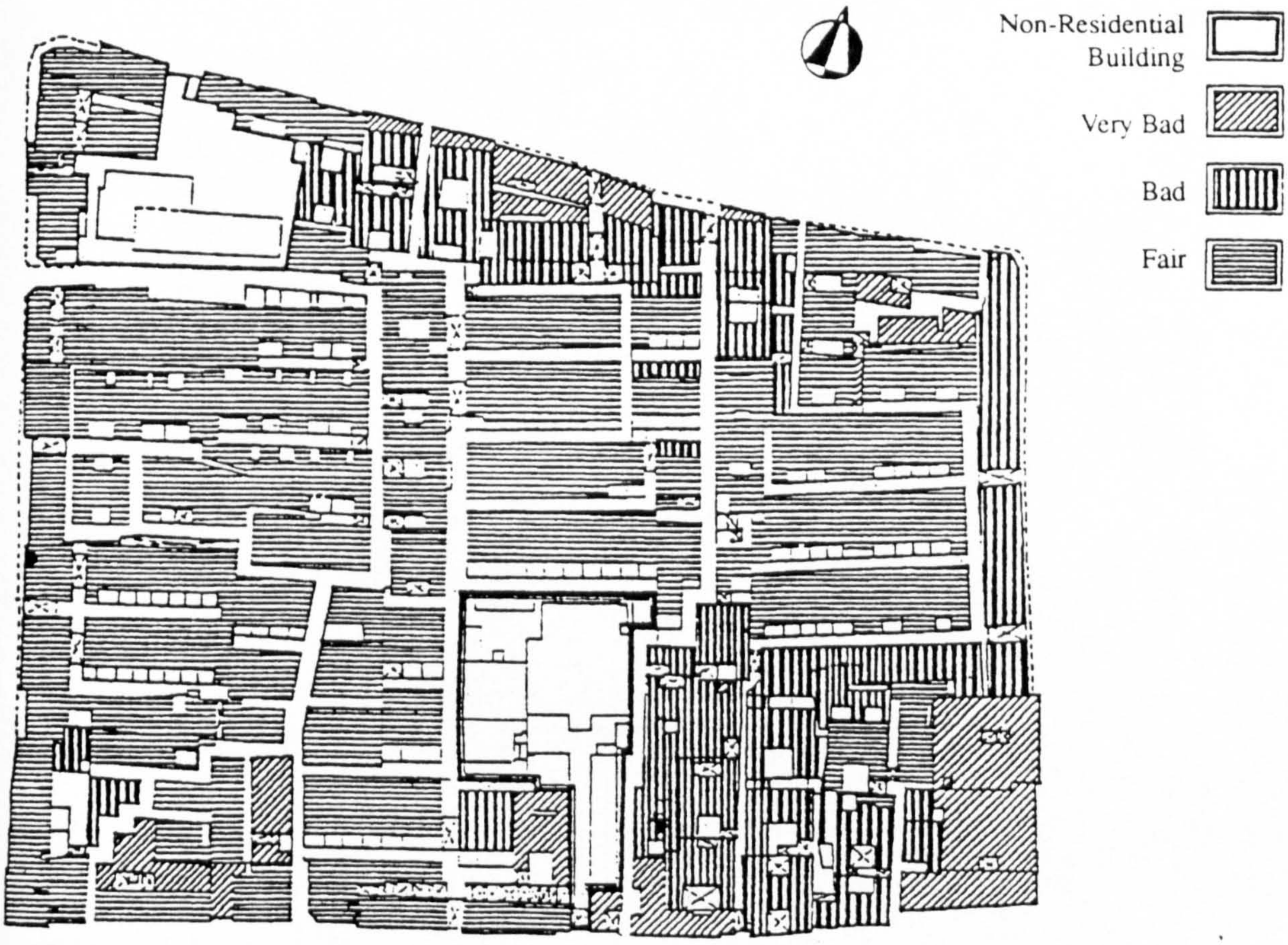
Source: Personal Housing Condition Survey 1994

Illustration 21: The Structural Condition of Dwellings In Yu Yuan Garden East Area



Source: Personal Housing Condition Survey 1994

Illustration 22: Residents Living Condition in Yu Yuan Garden East Area



Source: Personal Housing Condition Survey 1994

Appendix 5

Photos

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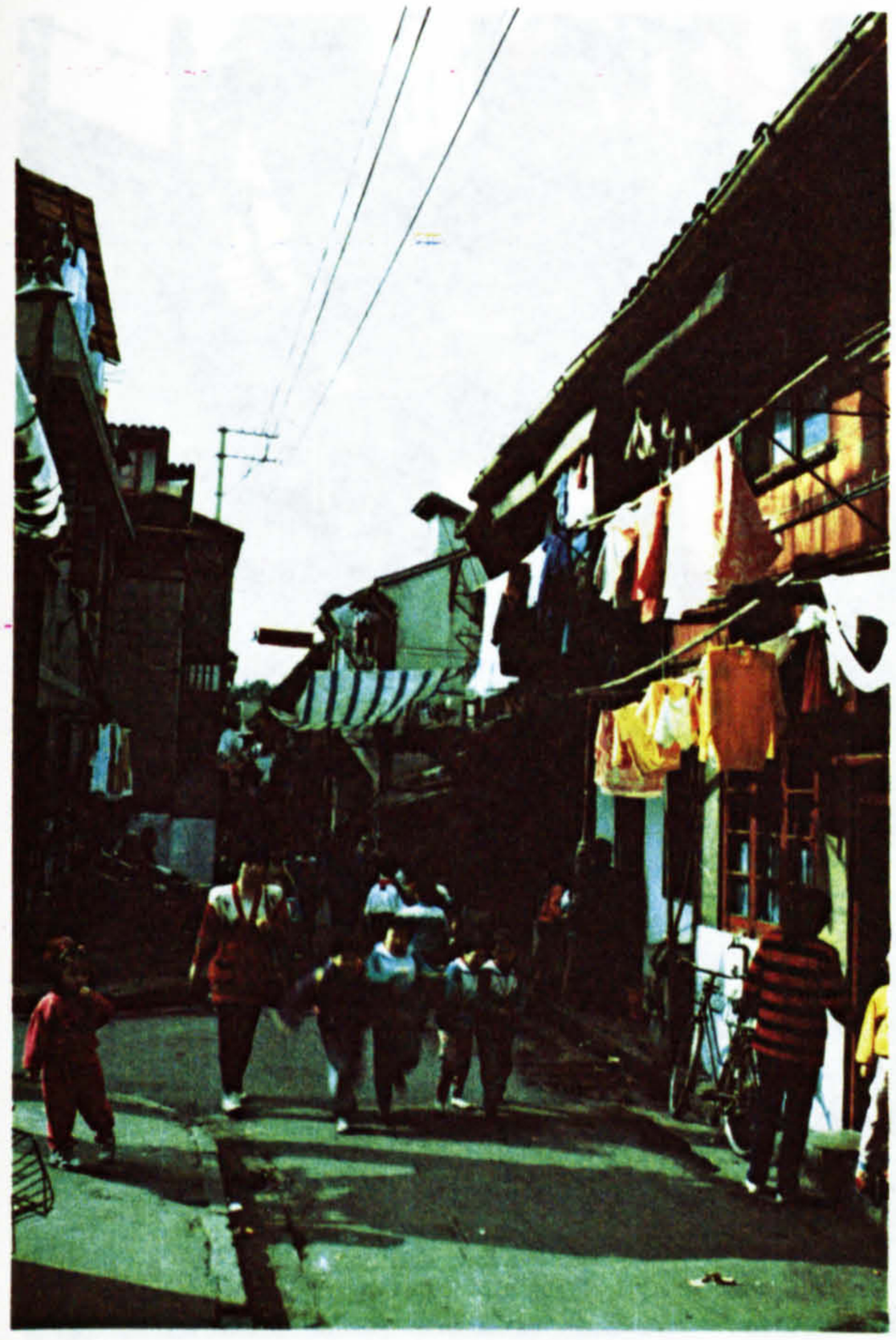
Contents:

Photos 1: Photos taken in Westcotes Renewal Area Leicester, after the Completion of Housing Improvement Work

The housing condition in Westcotes Renewal Area Leicester has been improved significantly after renewal programme.

Photos 2: Photos taken in Yu Yuan Garden East Area , Shanghai



The housing condition is very bad owing to lack of proper maintenance strategy and inadequate financial input. The old houses like these are nearly 40% of total housing stock in Shanghai.

The scarcity of living spaces and appalling living condition. More than 300,000 households in Shanghai are living in houses with similar condition like this at present.

The poor provision of amenities. There is no adequate kitchen or toilet for most of the houses in the Yu Yuan Garden East Area Shanghai. Most of households have to share the "kitchen" pictured like this, if it is a kitchen, and other utility spaces.

Appendix 6

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Figures

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Contents:

Figure 1: Tenure by Asian Ethnic Origin in Leicester

(Source: Leicester City Council, Survey of Leicester 1983)

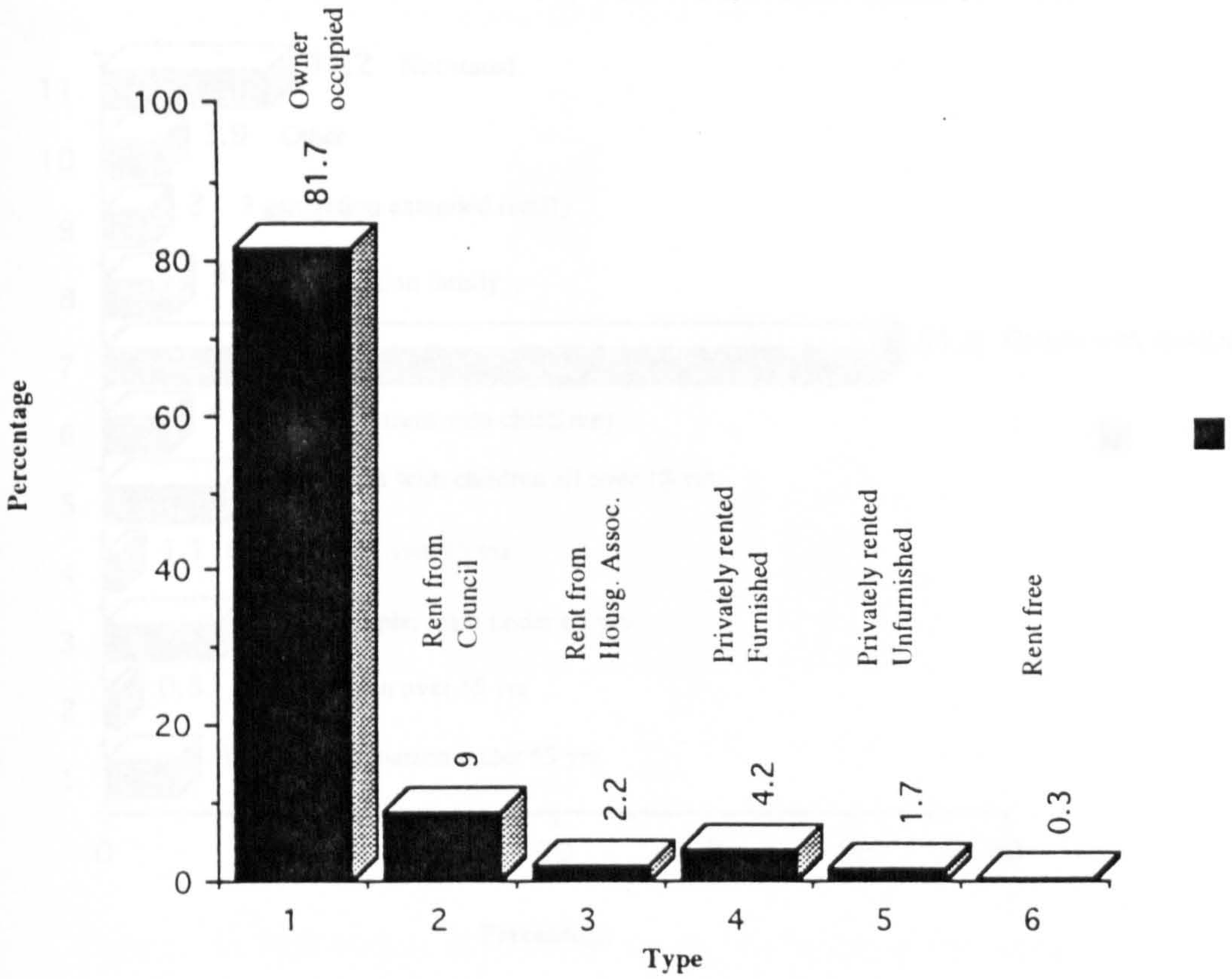


Figure 2: Type of Accommodation by Asian Ethnic Origin in Leicester

(Source: Leicester City Council, Survey of Leicester 1983)

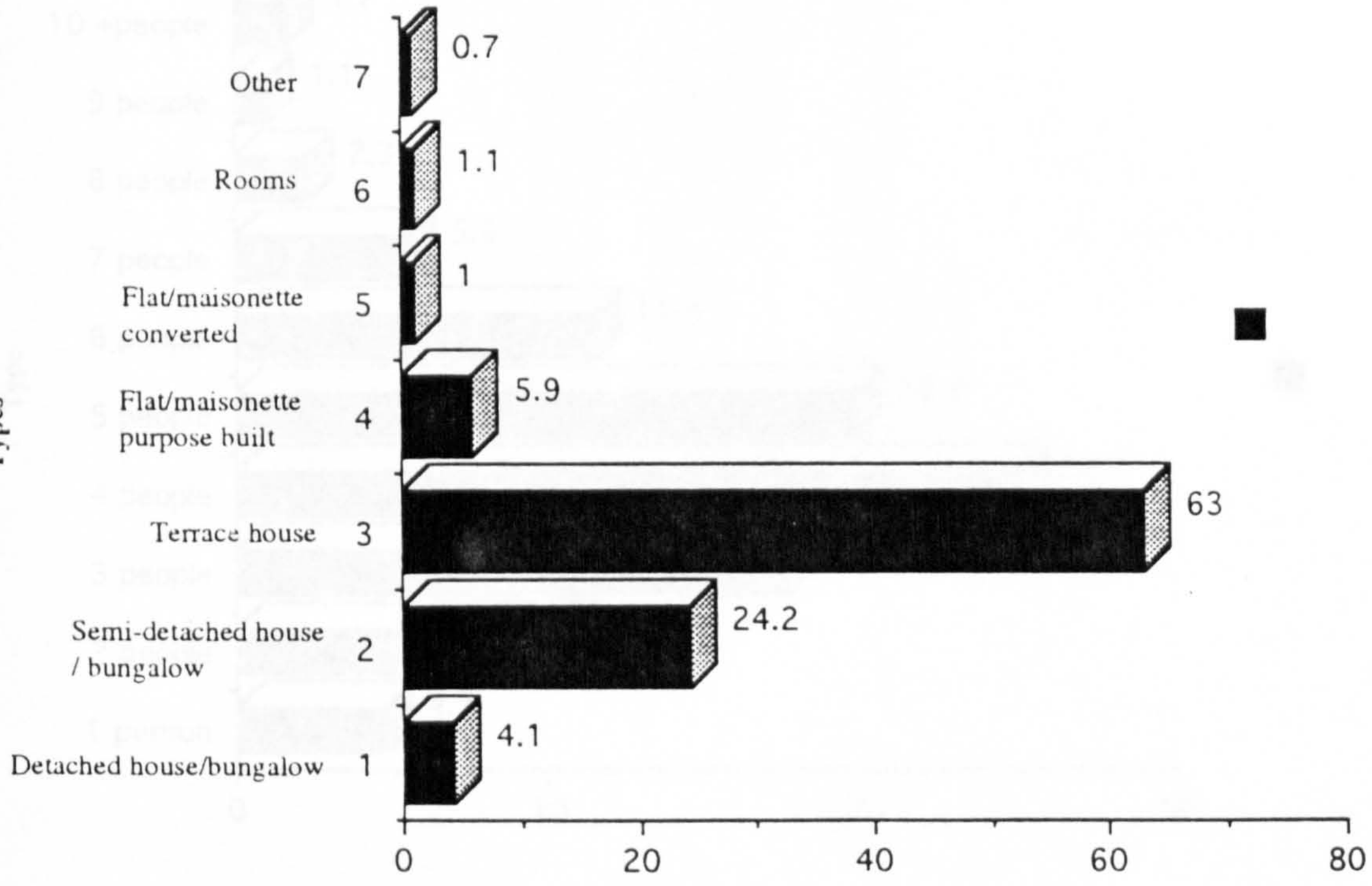


Figure 3: Household Composition by Asian Ethnic Origin in Leicester

(Source: Leicester City Council, Survey of Leicester 1983)

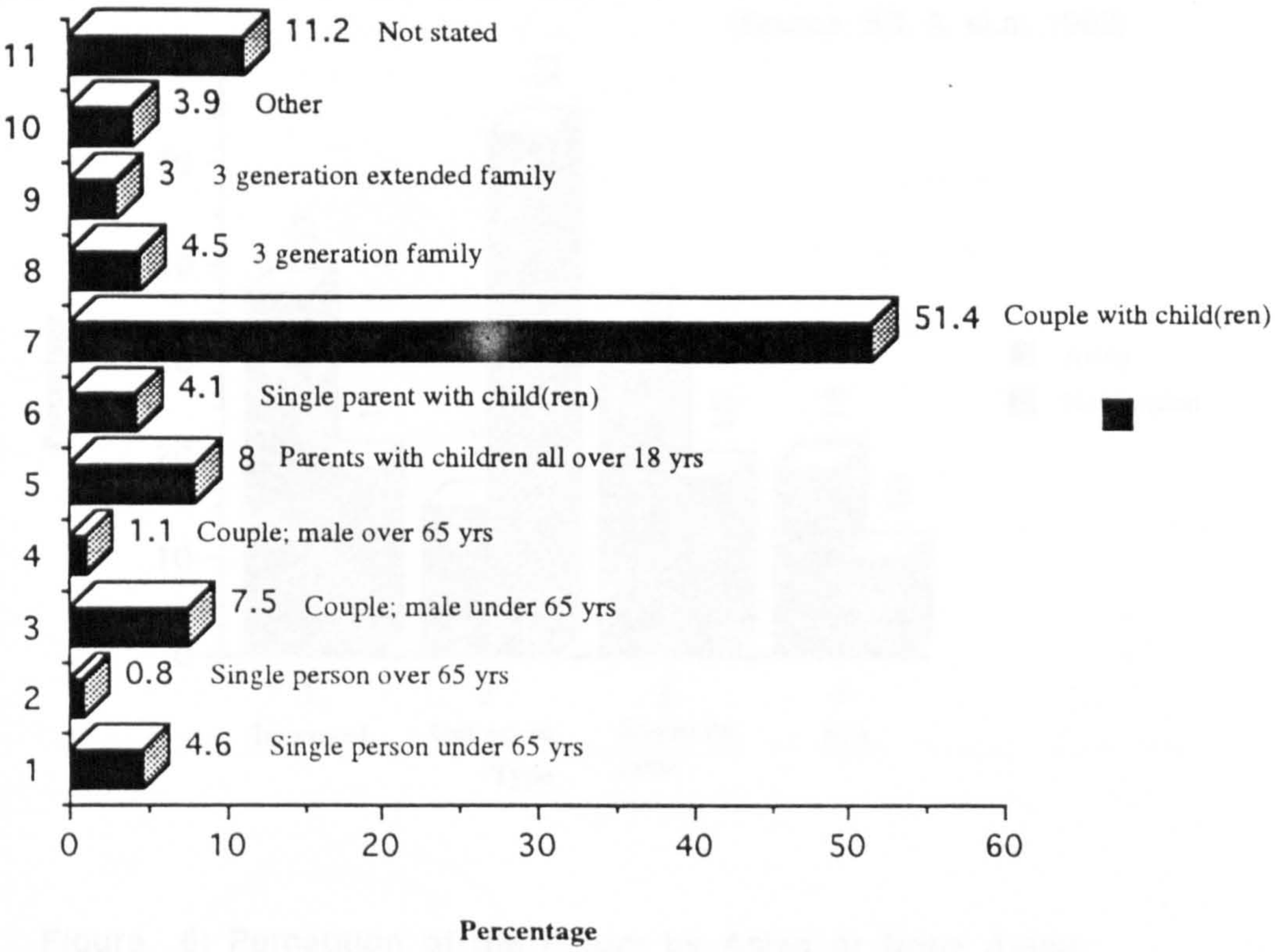


Figure 4: Household Size by Asian Ethnic Origin in Leicester

(Source: Leicester City Council, Survey of Leicester 1983)

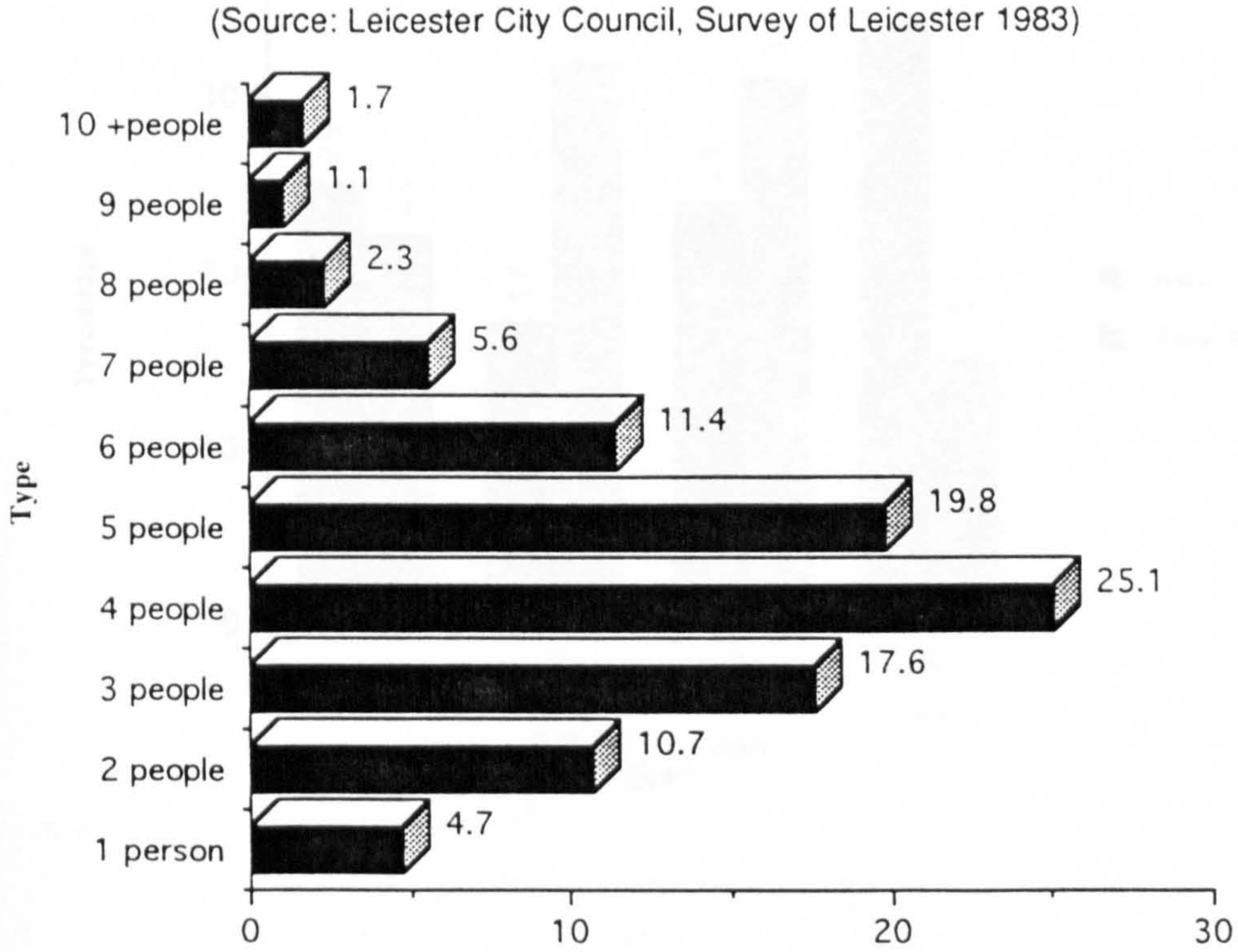


Figure 5: Comment on the Inner City Area in the Past by Asian or None Asian

(Source: Sill, A. et.al.,1982)

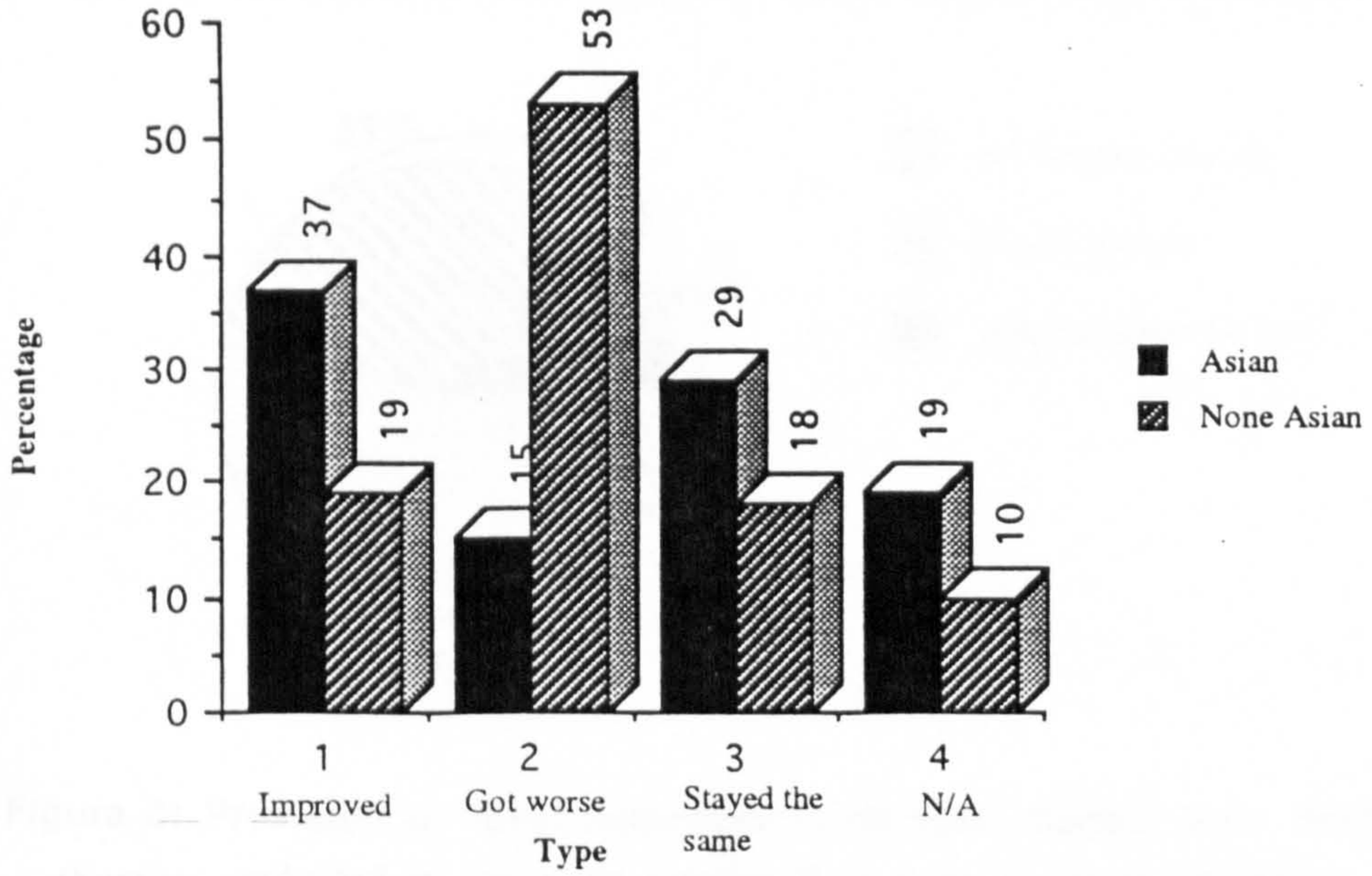
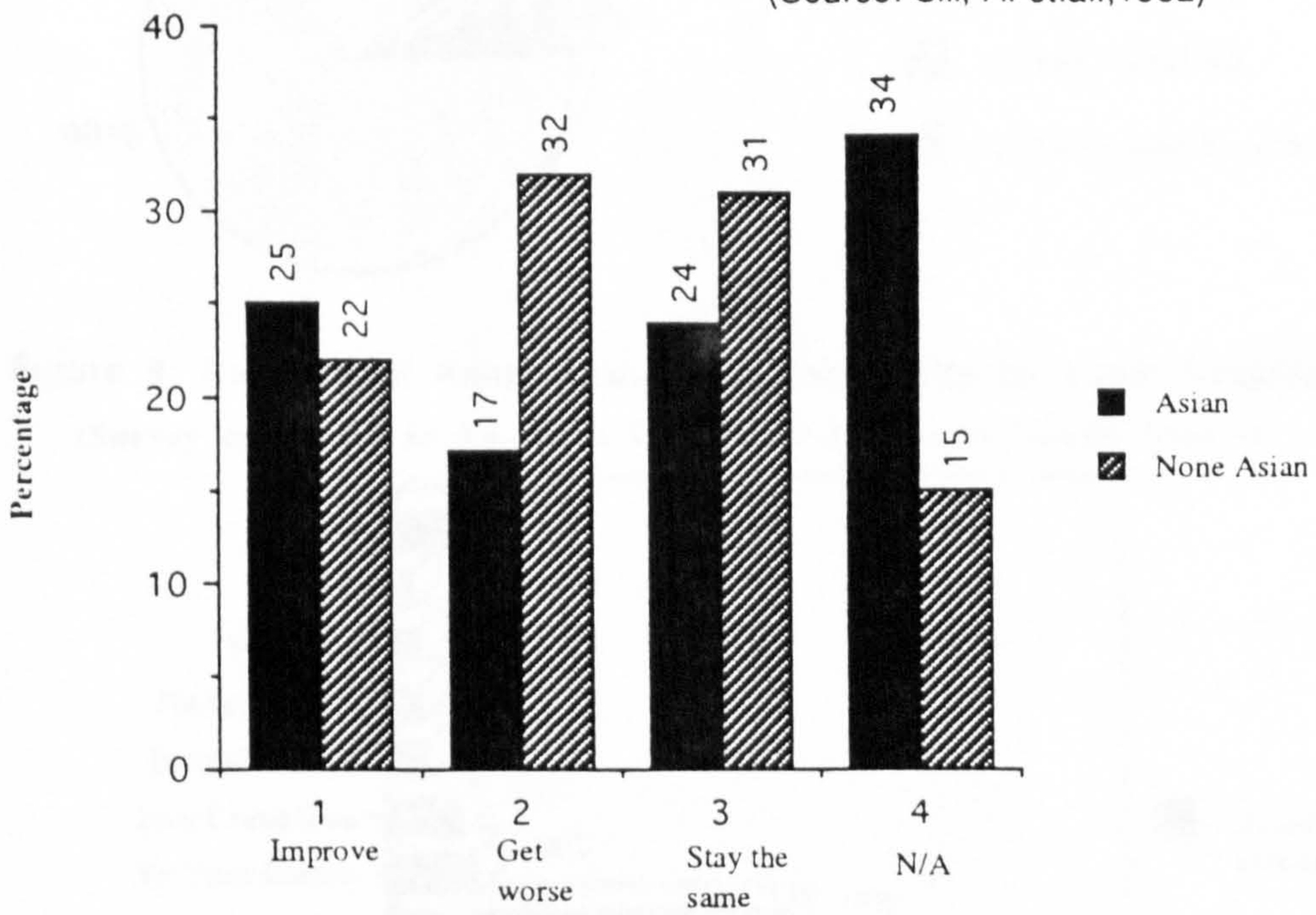


Figure 6: Perception of the Future by Asian or None Asian

(Source: Sill, A. et.al.,1982)



Data of Figure 7, 8 & 9 taken from own survey in Shanghai 1994

Figure 7: Provision of Kitchen in Yu Yuan Garden East Area

(Survey conducted in Yu Yuan Garden East Area in Nanshi District)

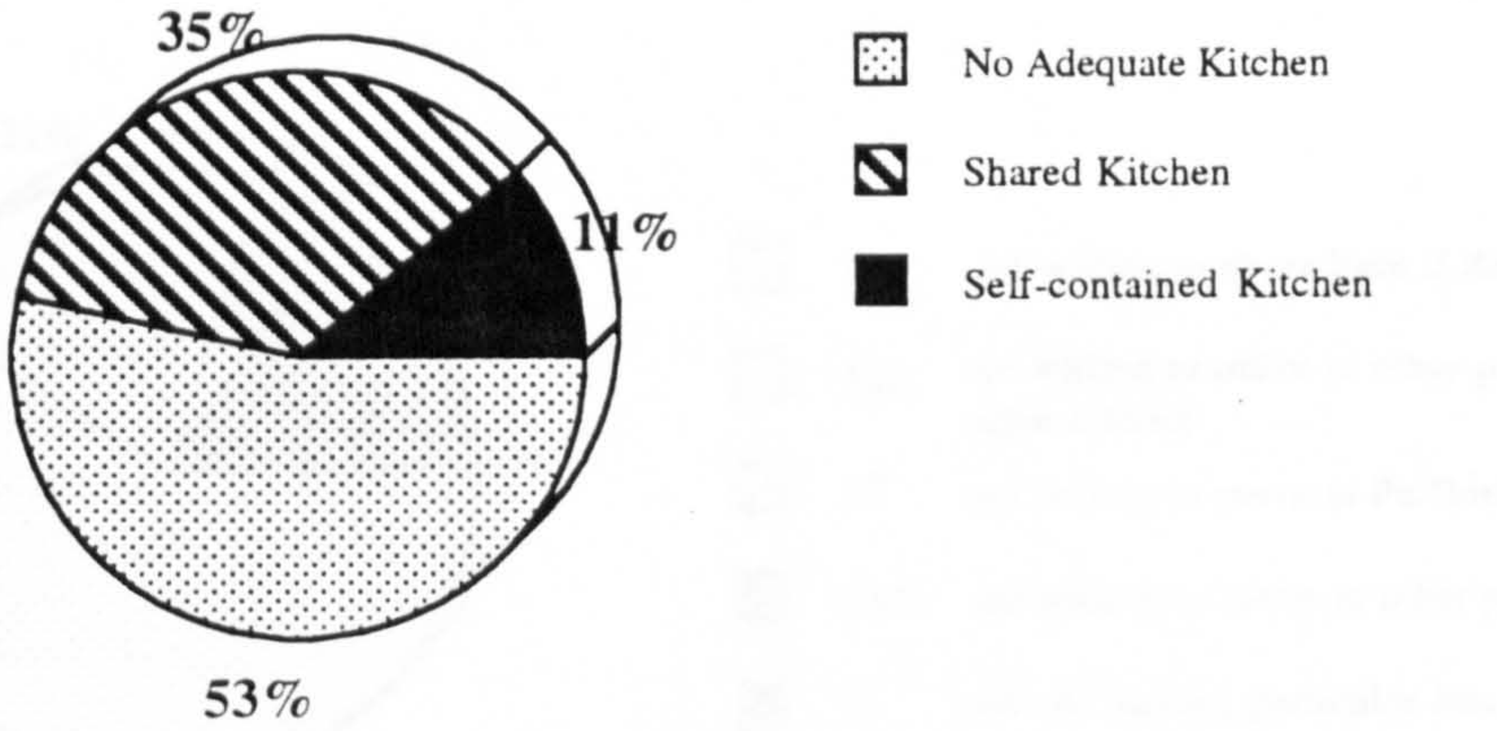


Figure 8: Provision of Toilet/Bathroom in Yu Yuan Garden East Area

(Survey conducted in Yu Yuan Garden East Area in Nanshi District)

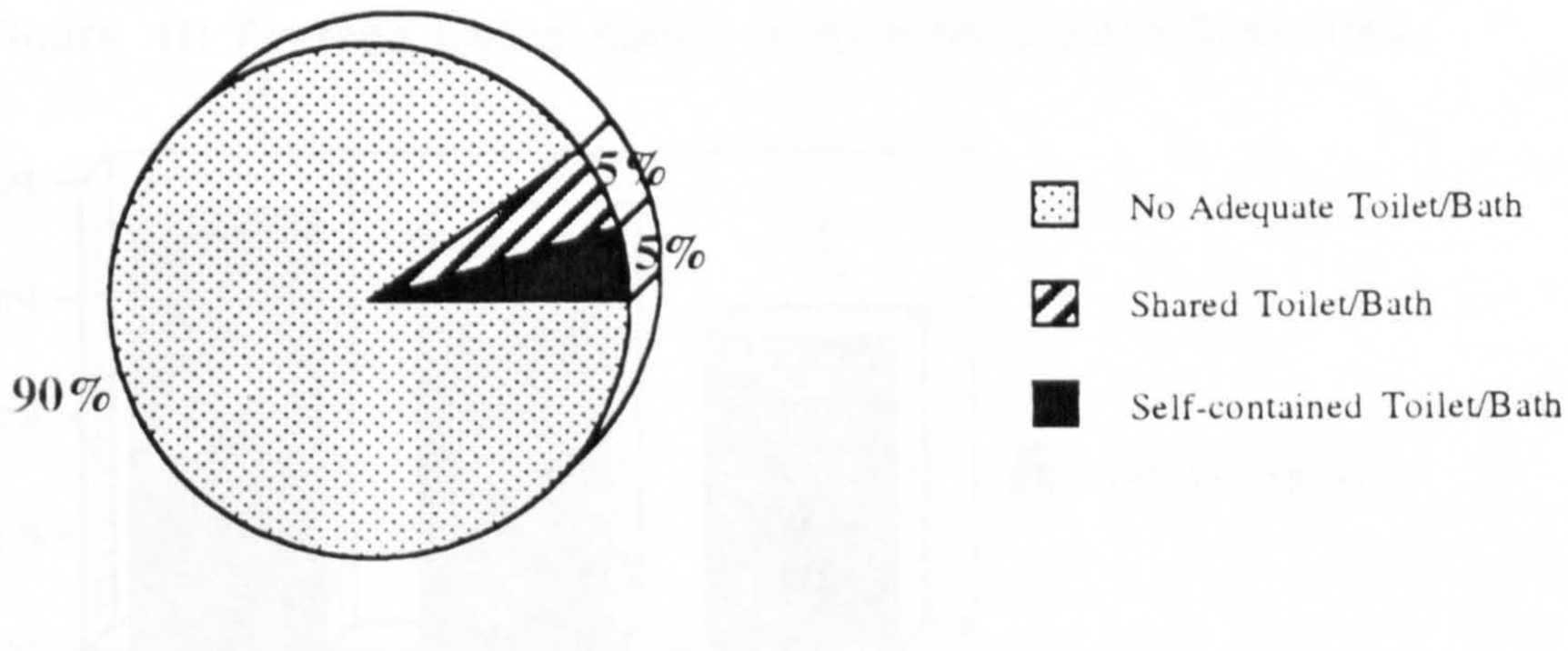
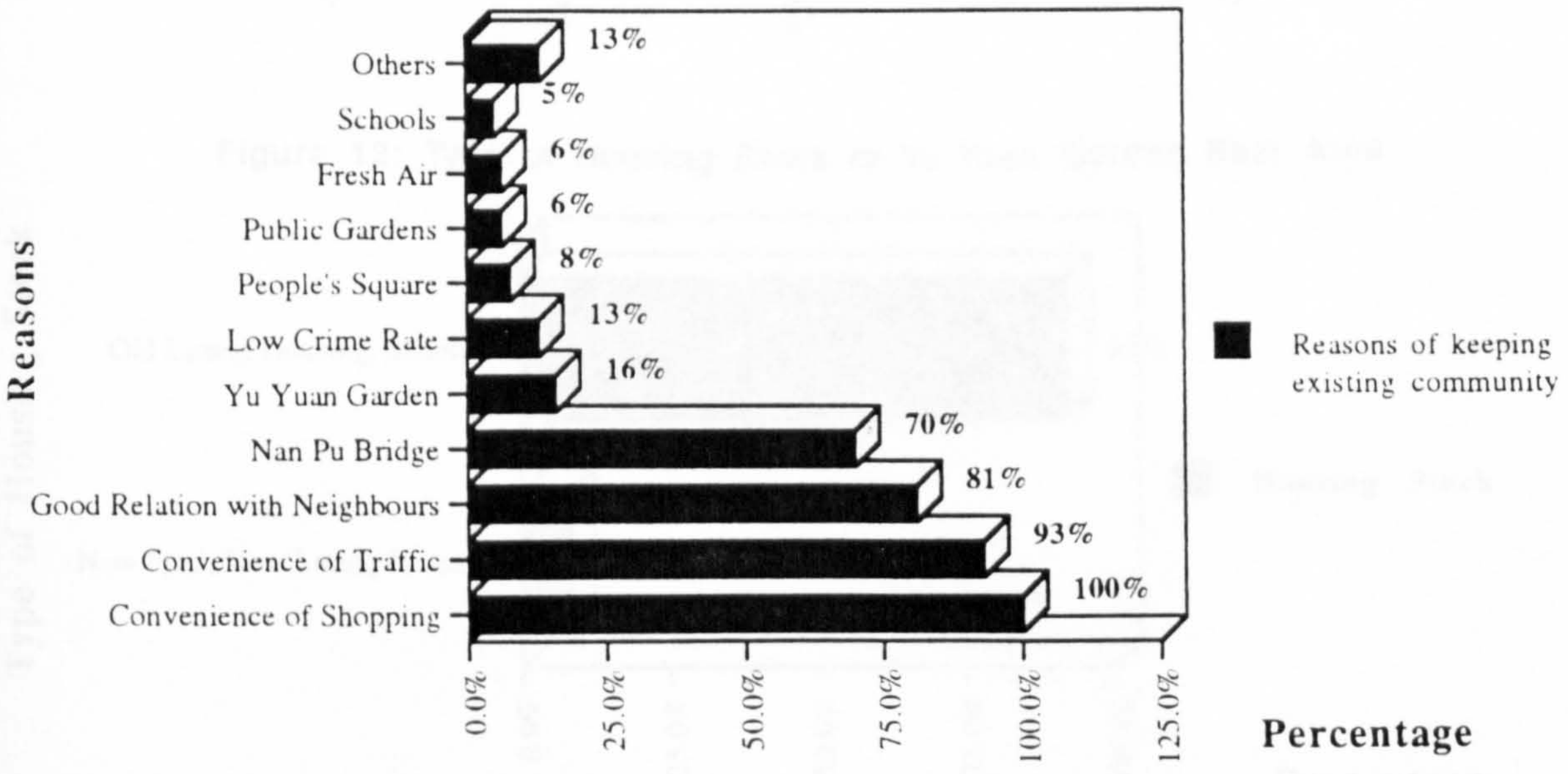


Figure 9: Reasons of Keeping Existing Community by Local Residents

(Survey conducted in Yu Yuan Garden East Area in Nanshi District)



Data of Figure 10, 11 & 12 taken from own survey in Shanghai 1994

Figure 10: Residents Preferences in Yu Yuan Garden East Area

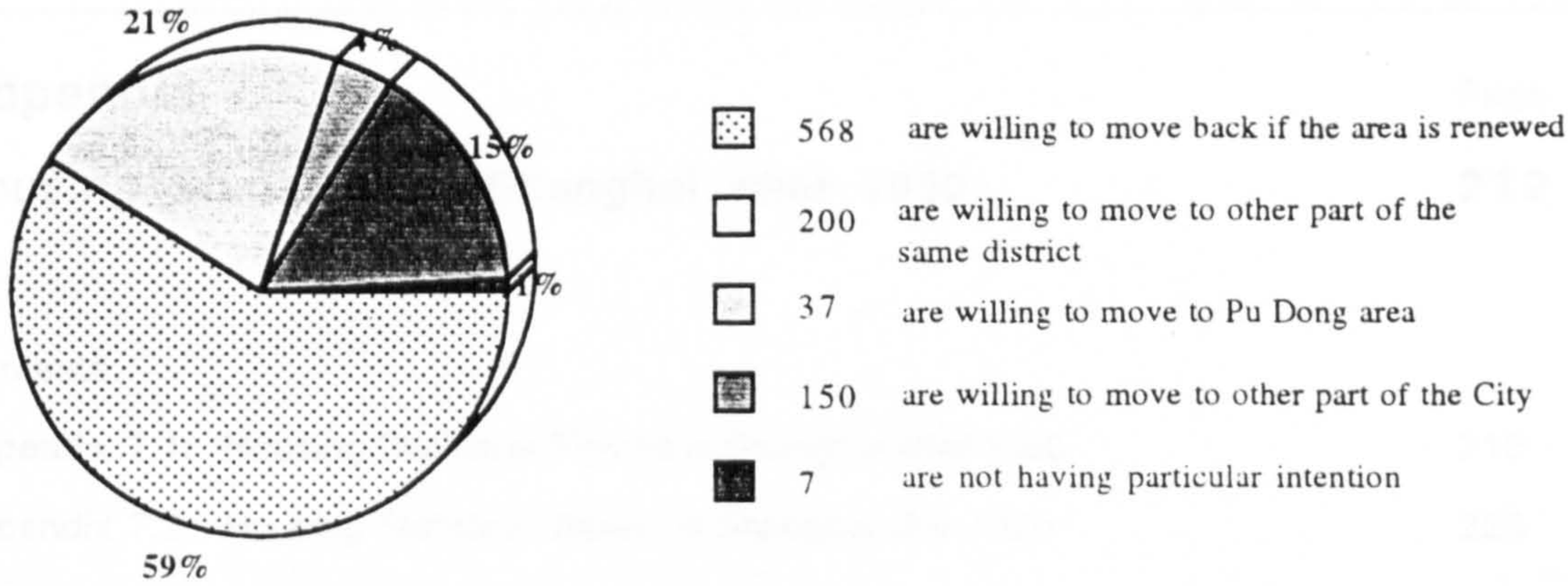


Figure 11: Average Living Space in Yu Yuan Garden East Area

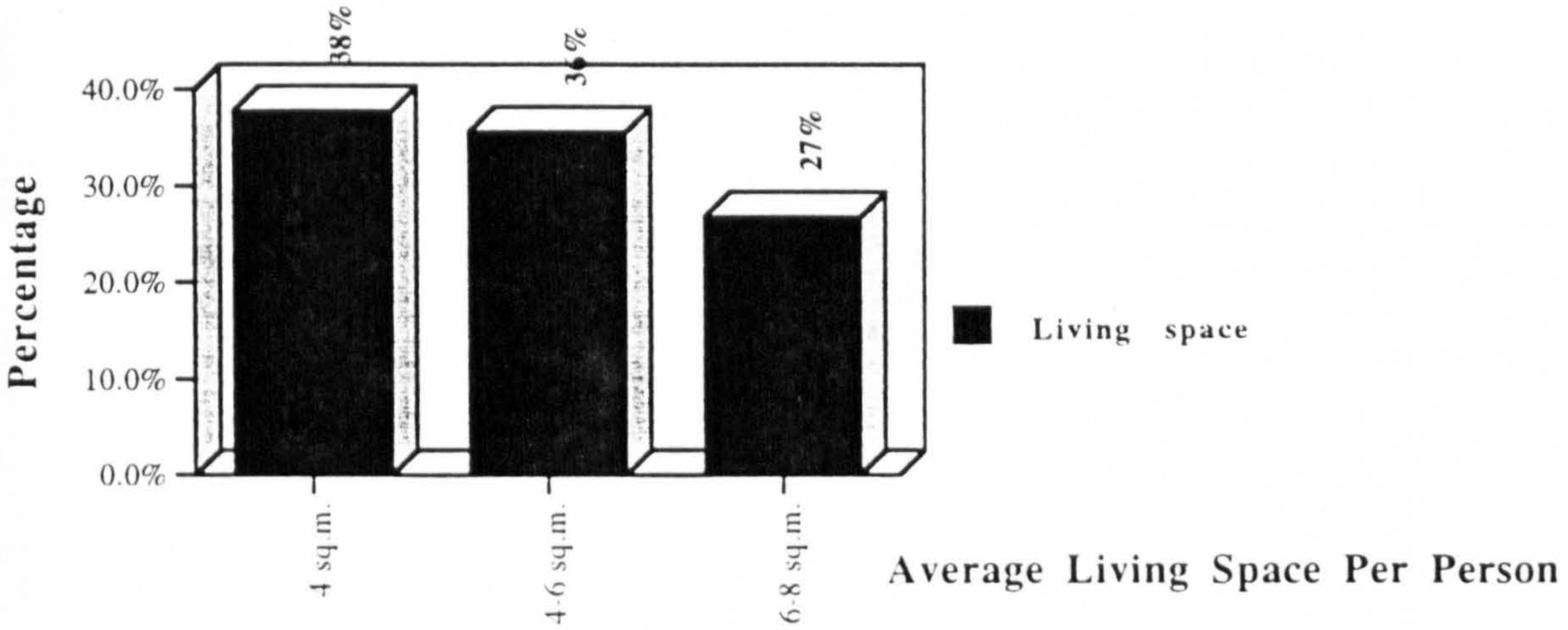
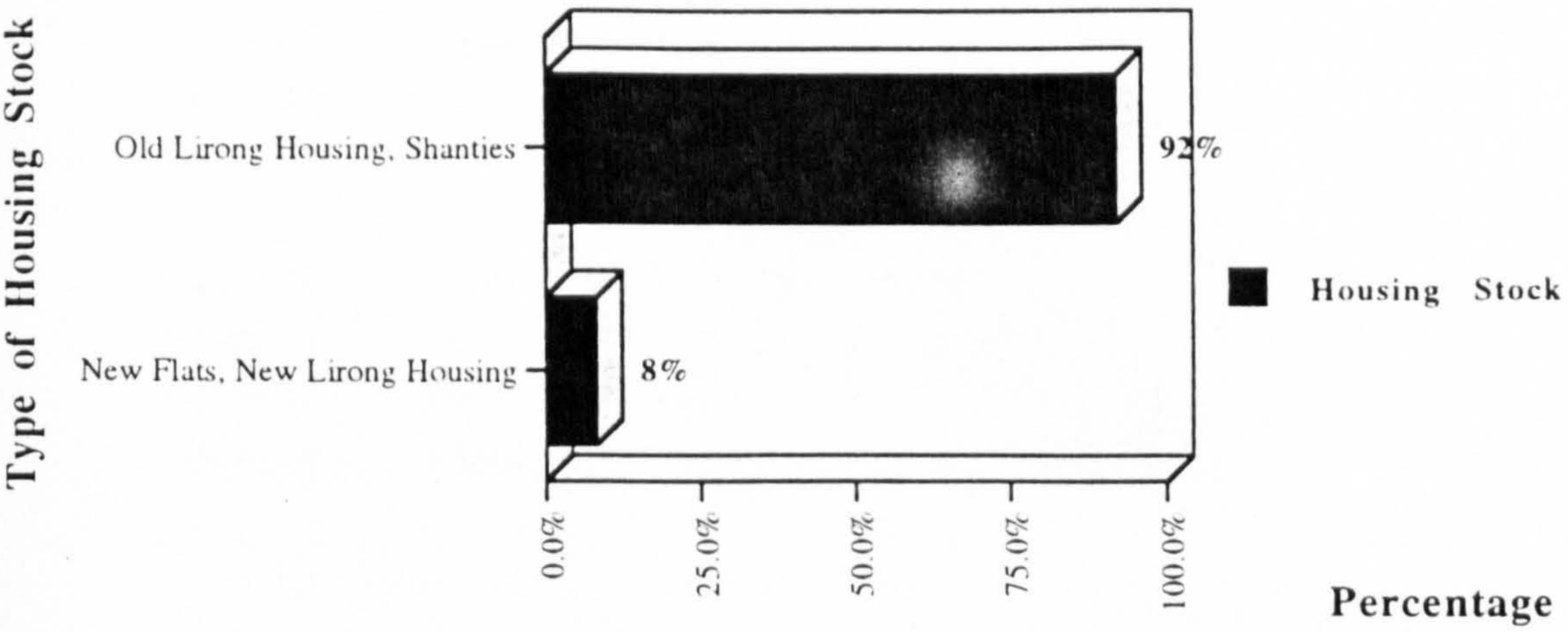


Figure 12: Type of Housing Stock in Yu Yuan Garden East Area



Appendix 7

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Appendix 7.1

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Housing Statistical Figures in Shanghai after 1980 213

Contents:

All data taken from Shanghai Housing Statistics 1992, unless otherwise stated.

Figure 13: Total Housing Floor Space In Shanghai, 1980-1990

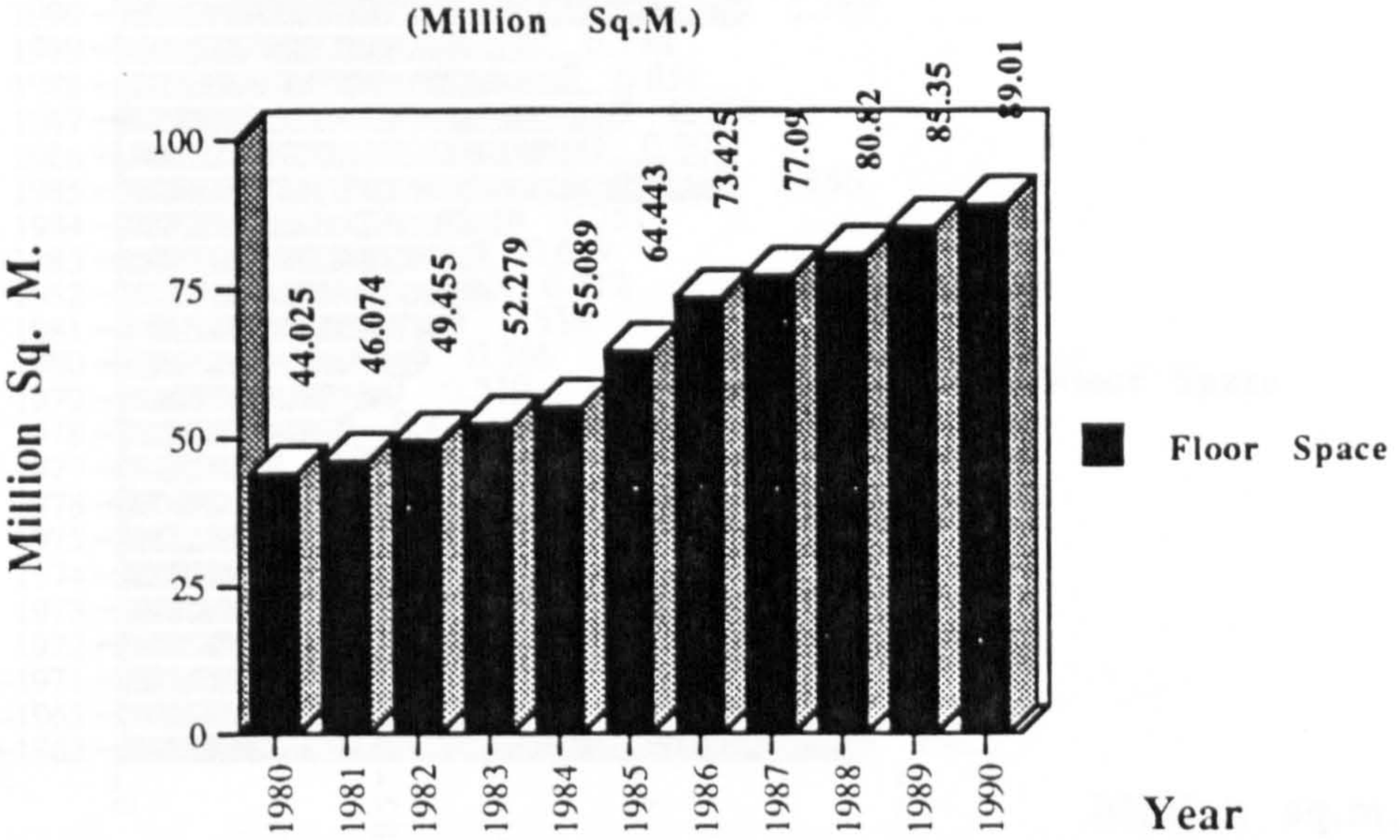


Figure 14: Type of Housing Stock in Shanghai, 1990

(Total Floor Space of Housing in Shanghai 1990 is 89.01 Million Sq.M.)

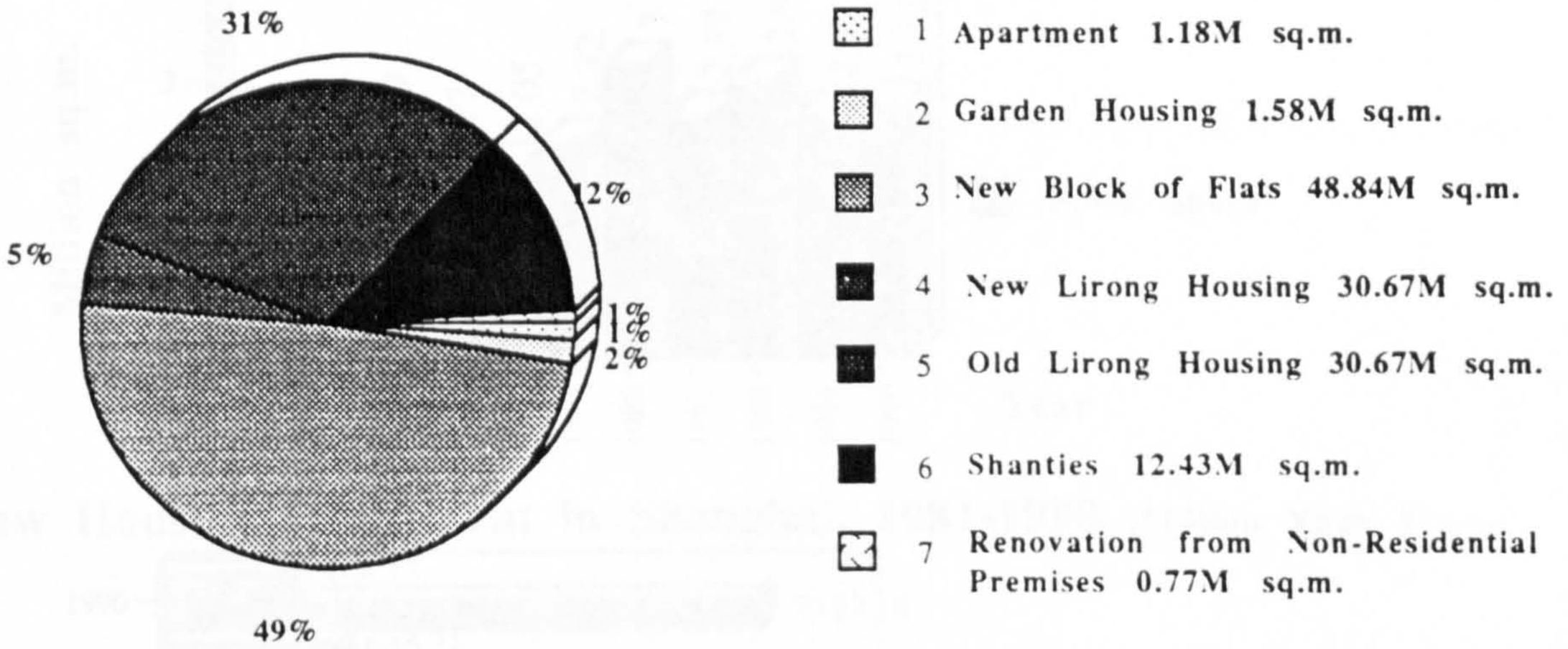


Figure 15: Average Living Space in Shanghai, 1980-1990 (Sq.M./P.P.)

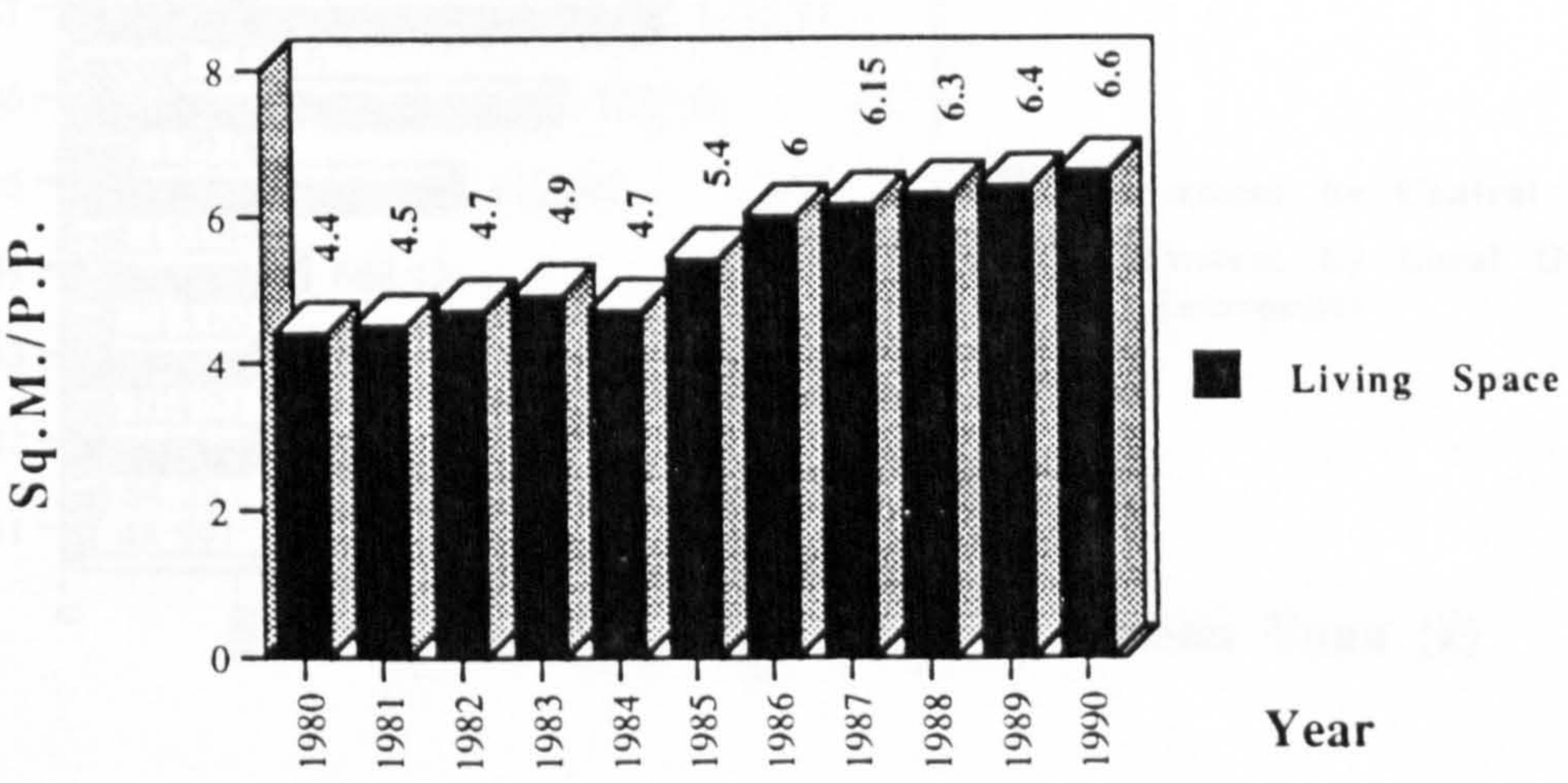


Figure 16: Demolition of Old Housing in Shanghai, 1949-1990

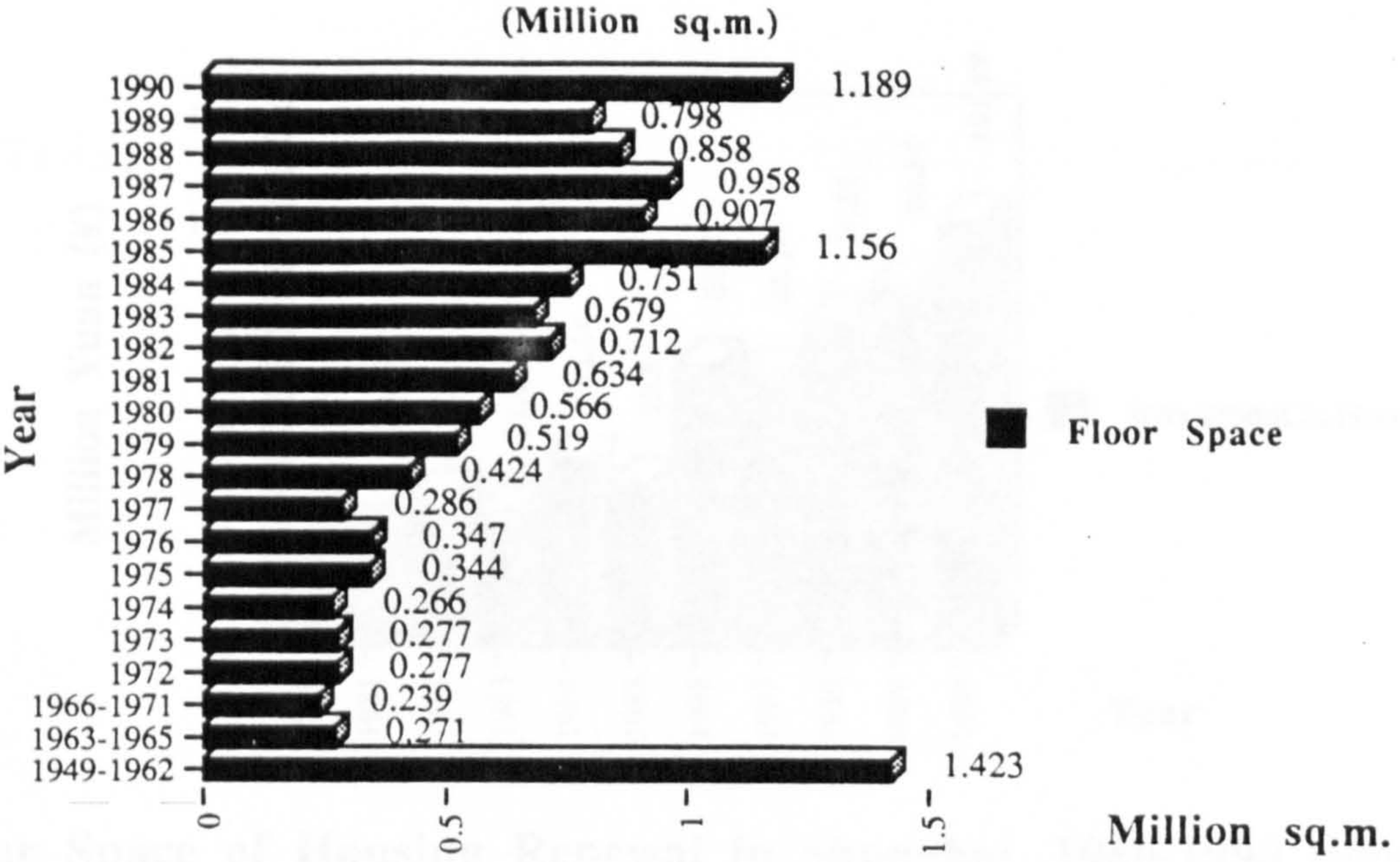


Figure 17: Housing Repair in Shanghai, 1980-1990 (Million sq.m.)

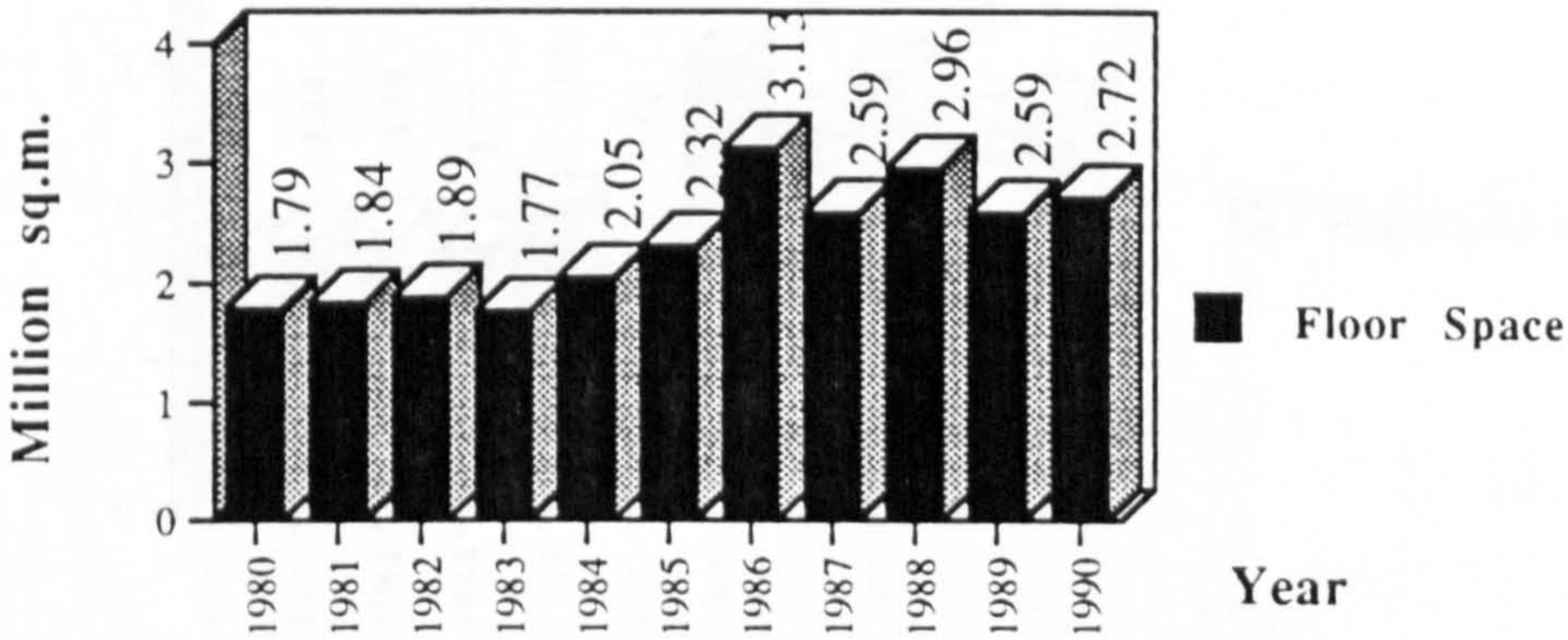


Figure 18: New Housing Investment in Shanghai, 1981-1990 (Million Yuan ¥)

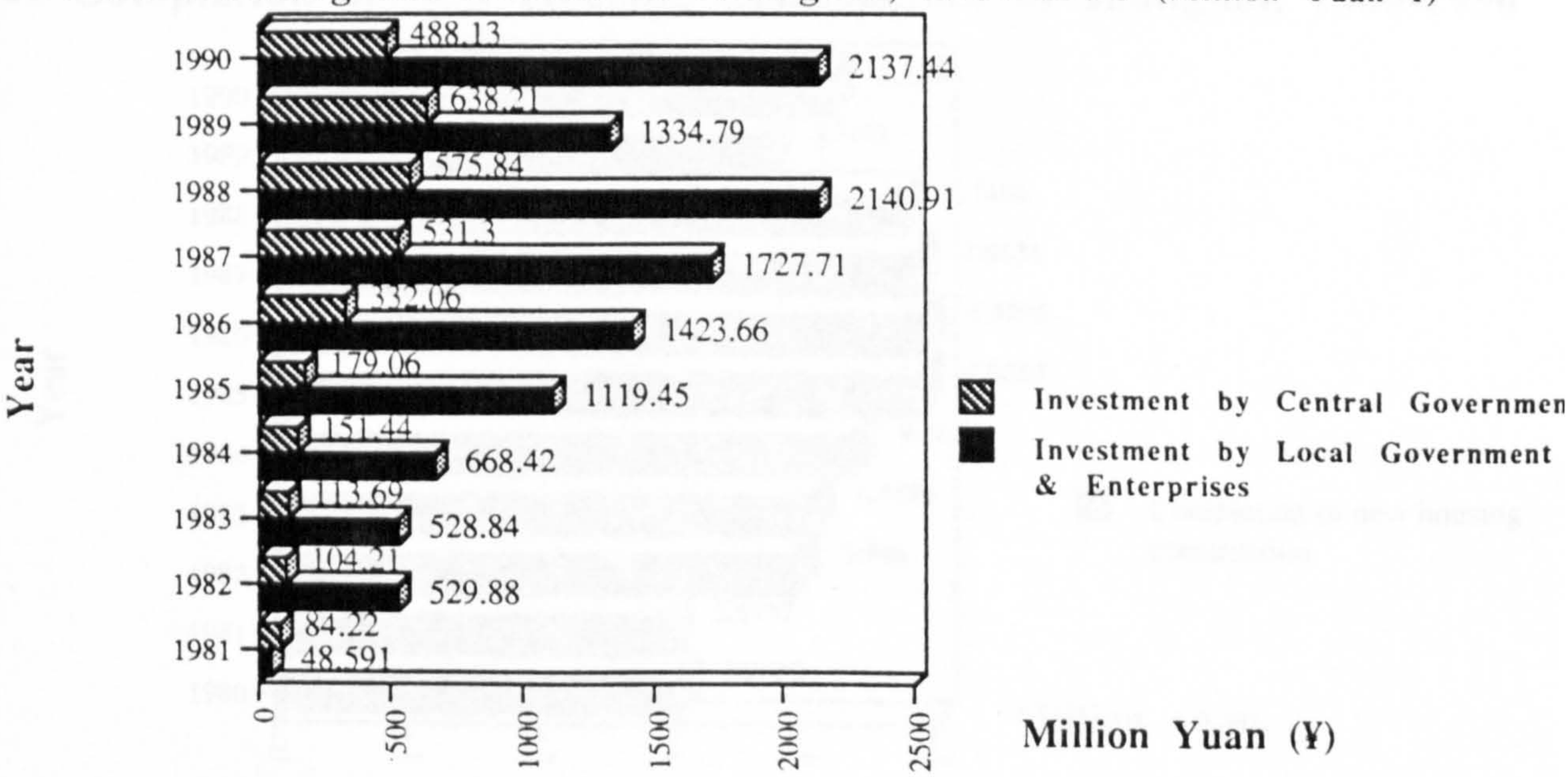


Figure 19: Investment in Housing Renewal in Shanghai, 1980-1990 (Million Yuan ¥)

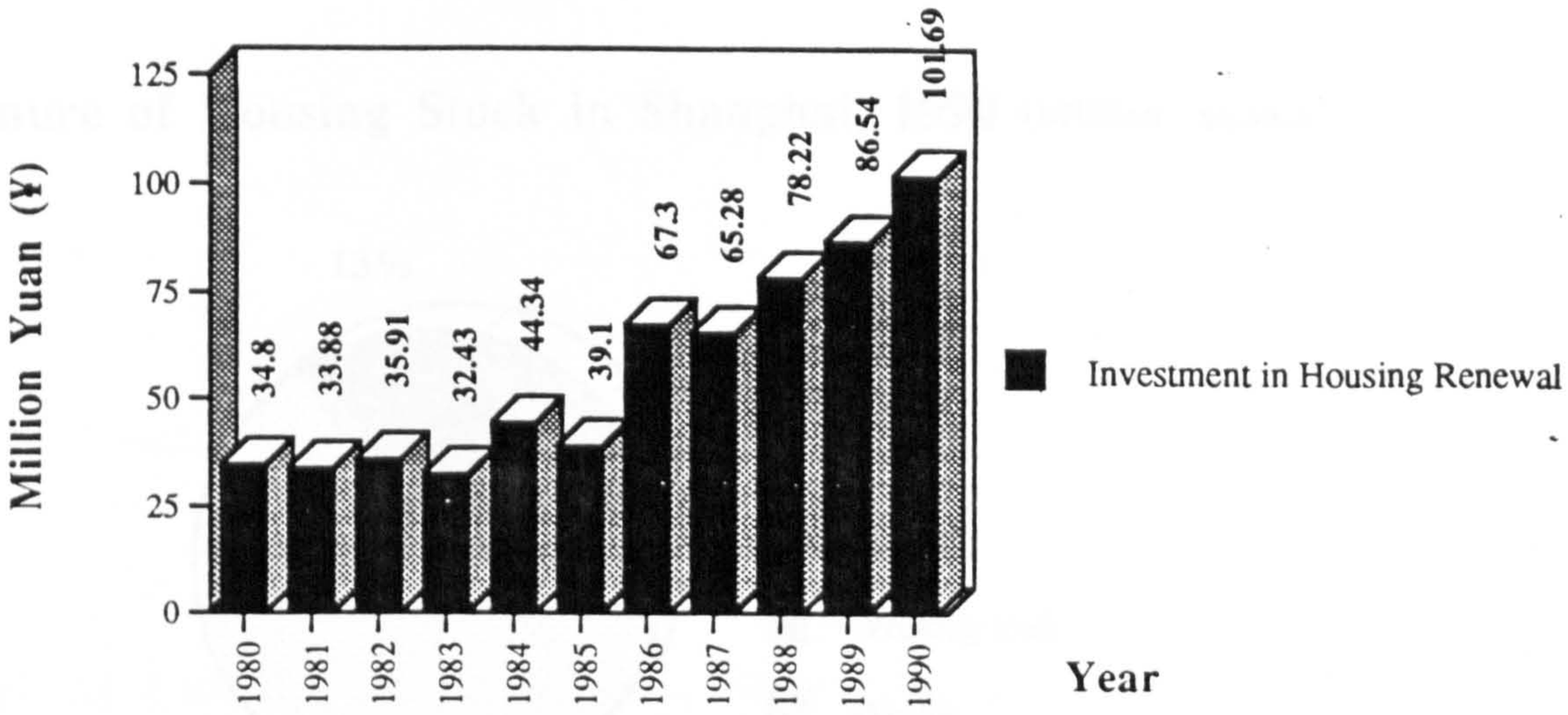


Figure 20: Floor Space of Housing Renewal in Shanghai, 1980-1990 (Million sq.m.)

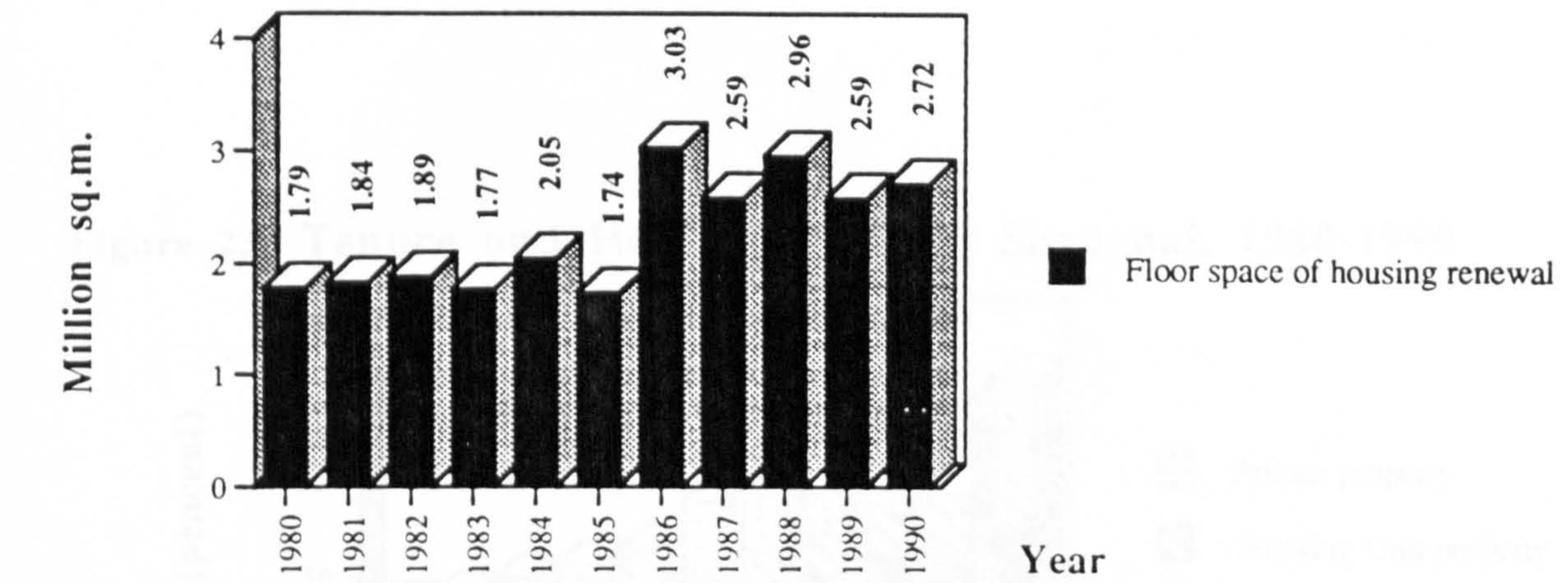


Figure 21: Completion of New Housing Construction in Shanghai, 1980-1990

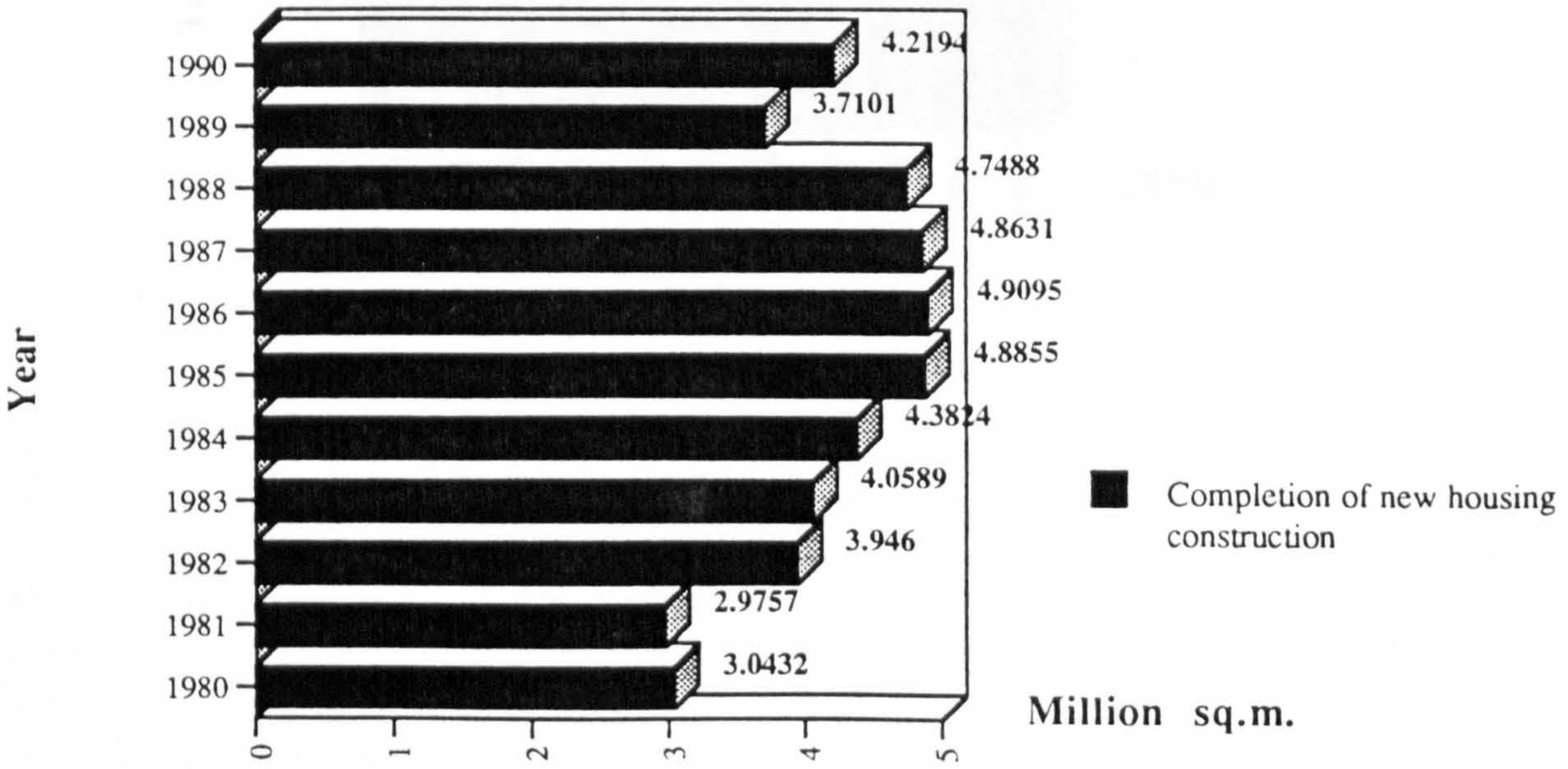


Figure 22: Tenure of Housing Stock in Shanghai, 1990 (Million sq.m.)

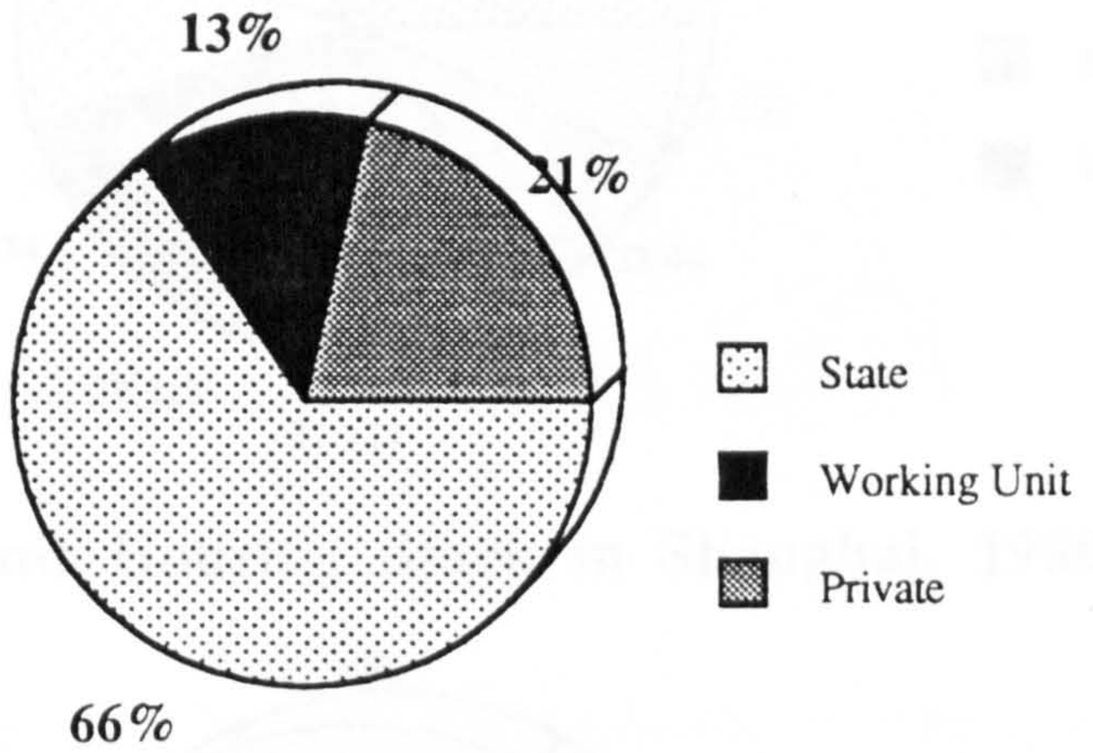


Figure 23: Tenure and Housing Stock in Shanghai, 1980-1990

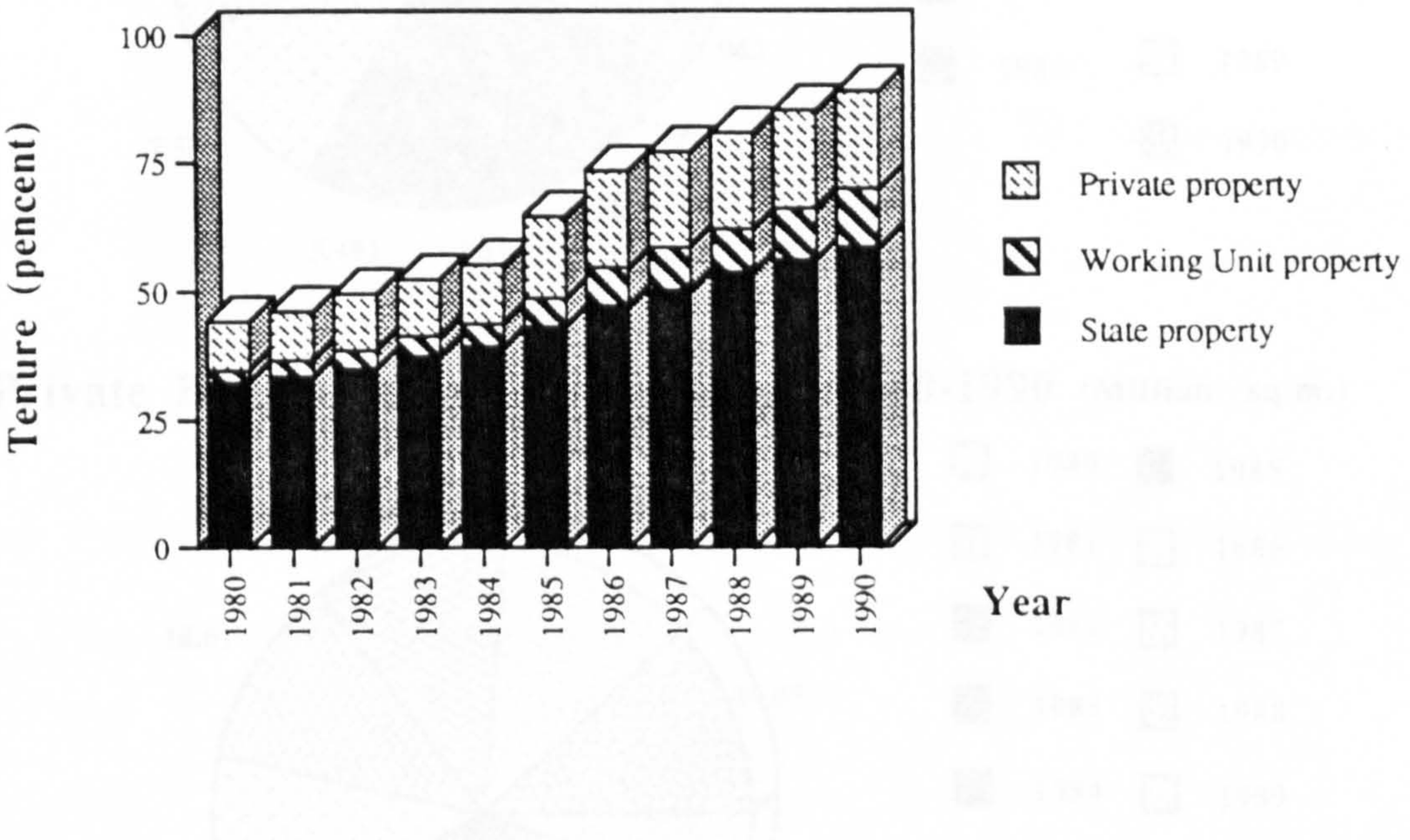


Figure 24: State-Owned Housing Stock in Shanghai, 1980-1990 (Million sq.m.)

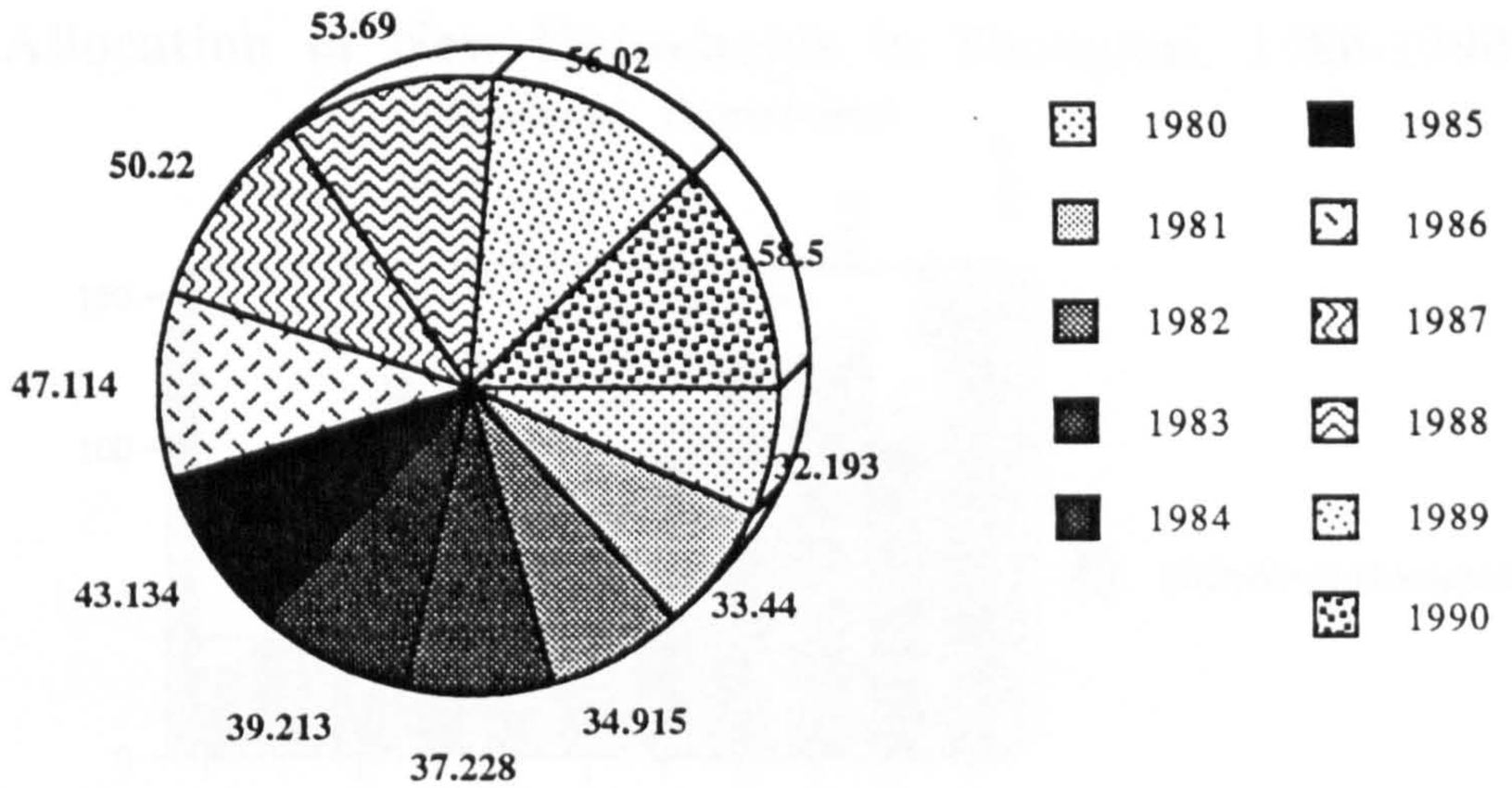


Figure 25: Working-Unit Housing Stock in Shanghai, 1980-1990 (Million sq.m.)

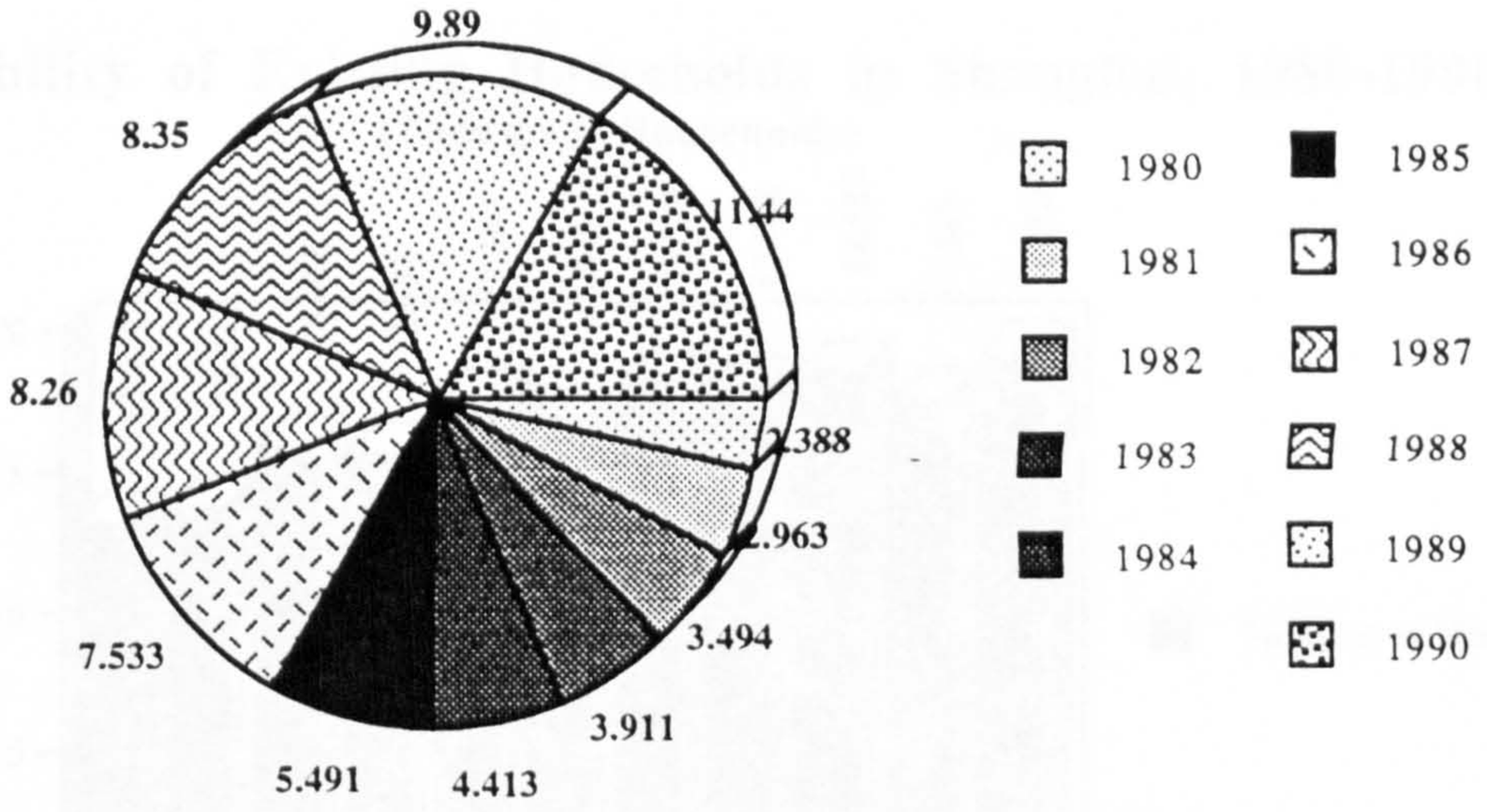


Figure 26: Private Housing Stock in Shanghai, 1980-1990 (Million sq.m.)

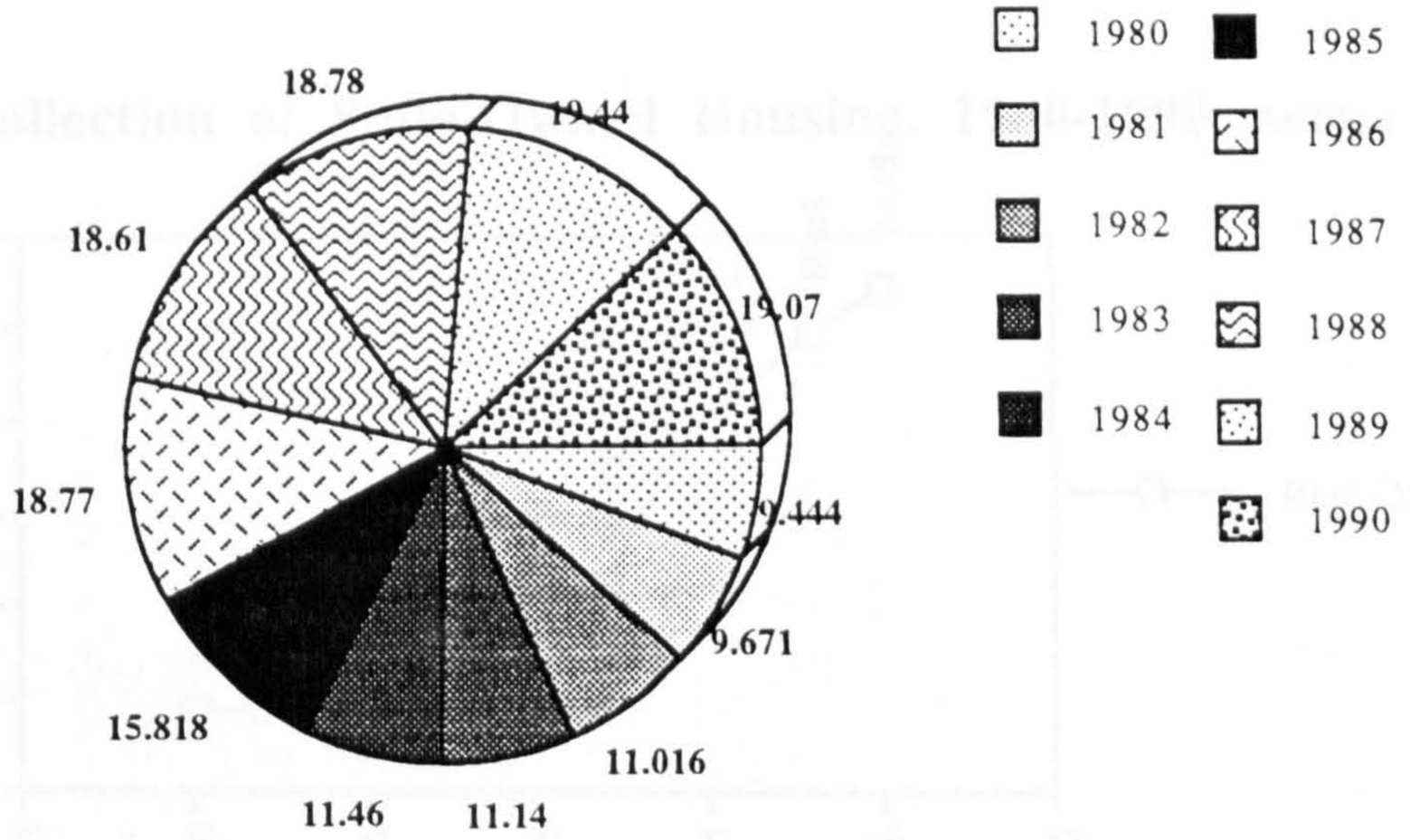


Figure 27: **Allocation of New Households in Shanghai, 1980-1990**

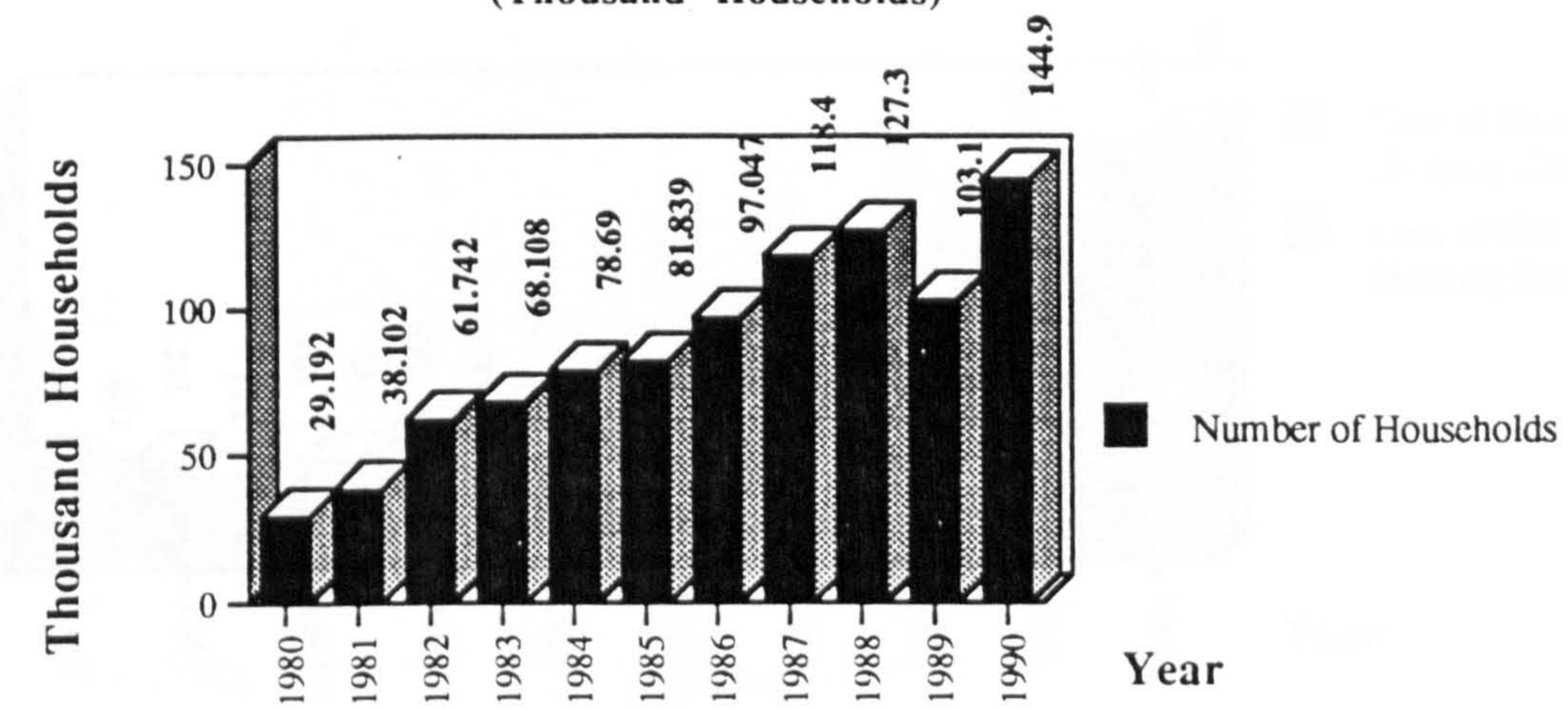


Figure 28: **Mobility of Existing Households in Shanghai, 1980-1990**

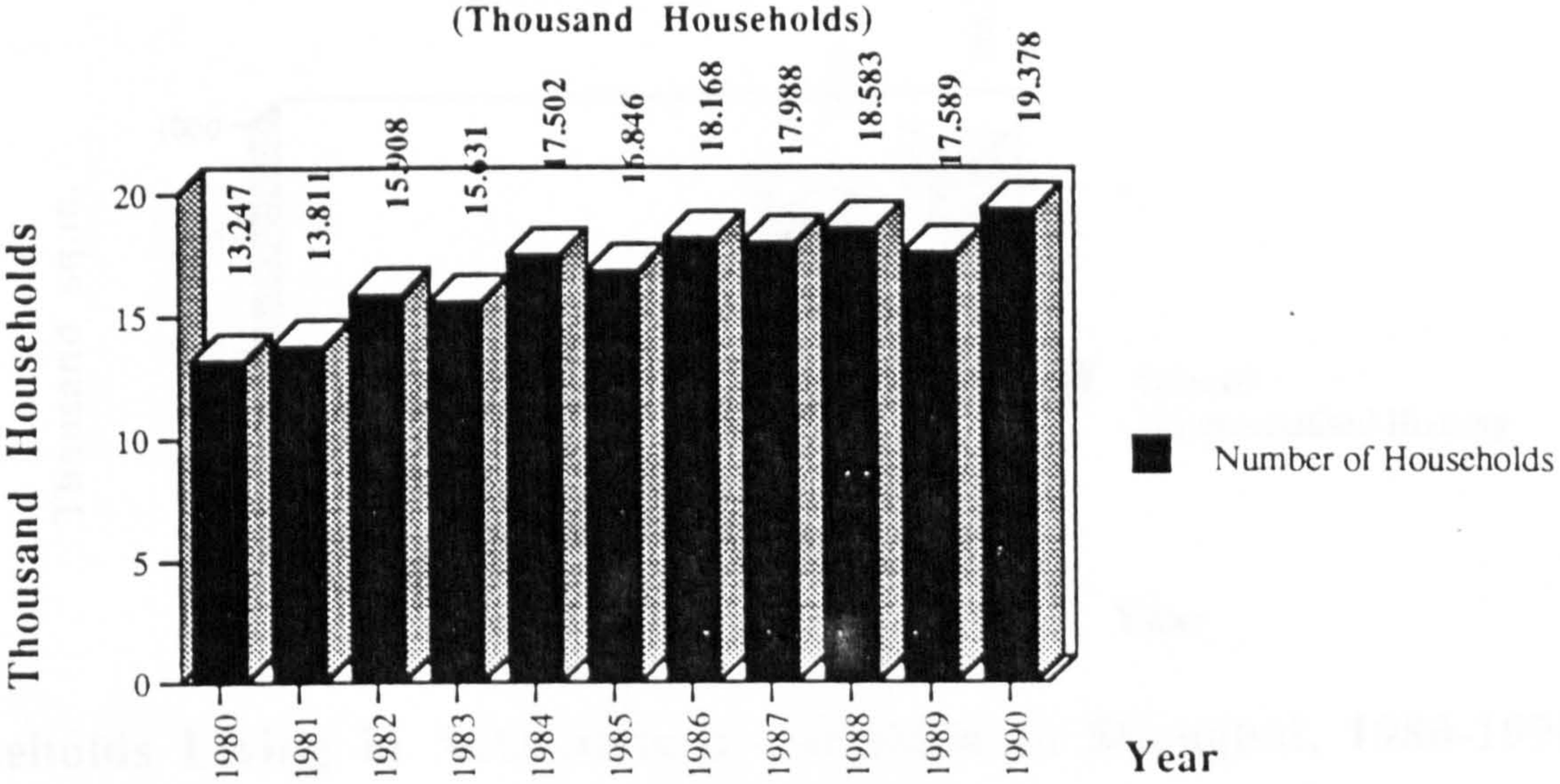


Figure 29: **Rent Collection of State-Owned Housing, 1980-1990** (Million Yuan ¥)

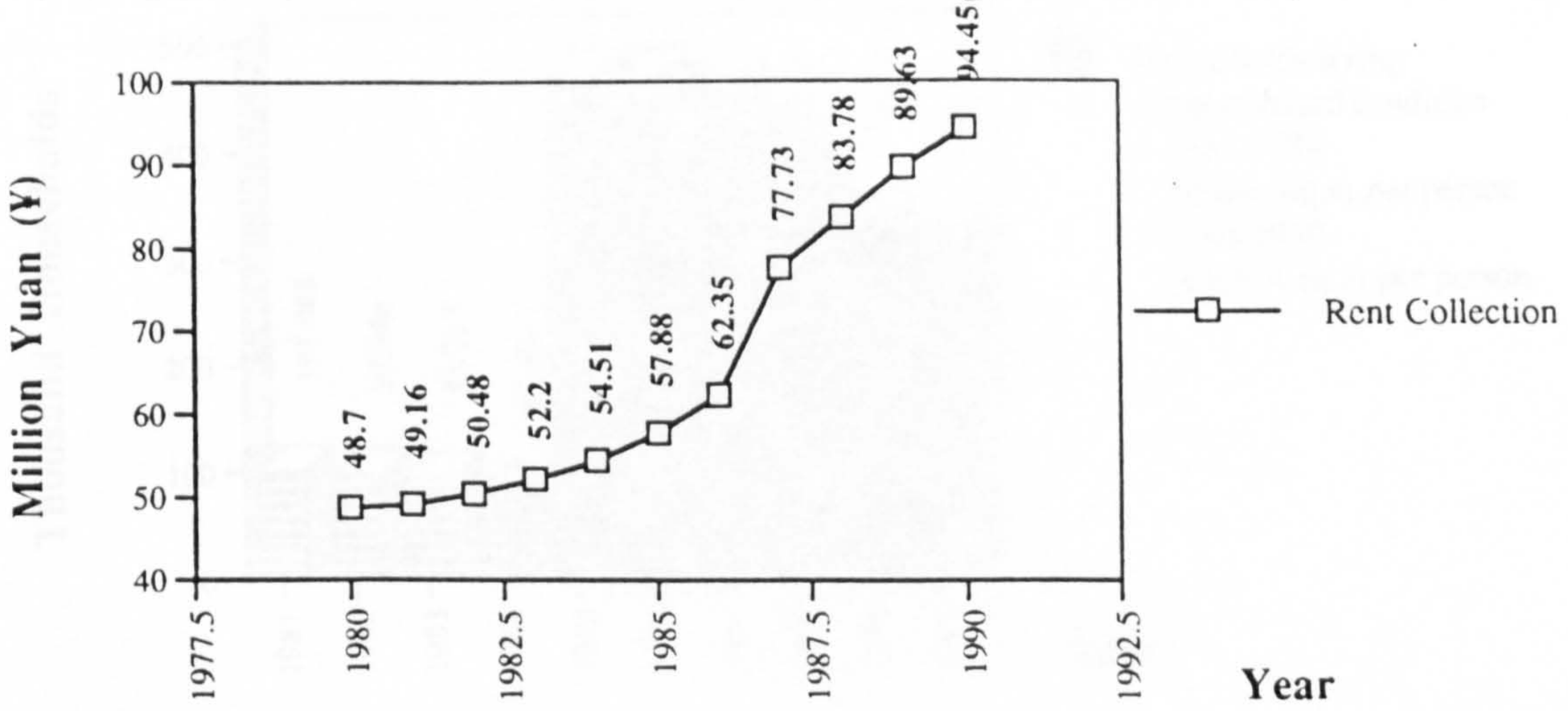


Figure 30: Cost Comparison between New Housing Construction and Old Housing Renewal in Shanghai, 1981-1990 (Yuan per sq.m.)

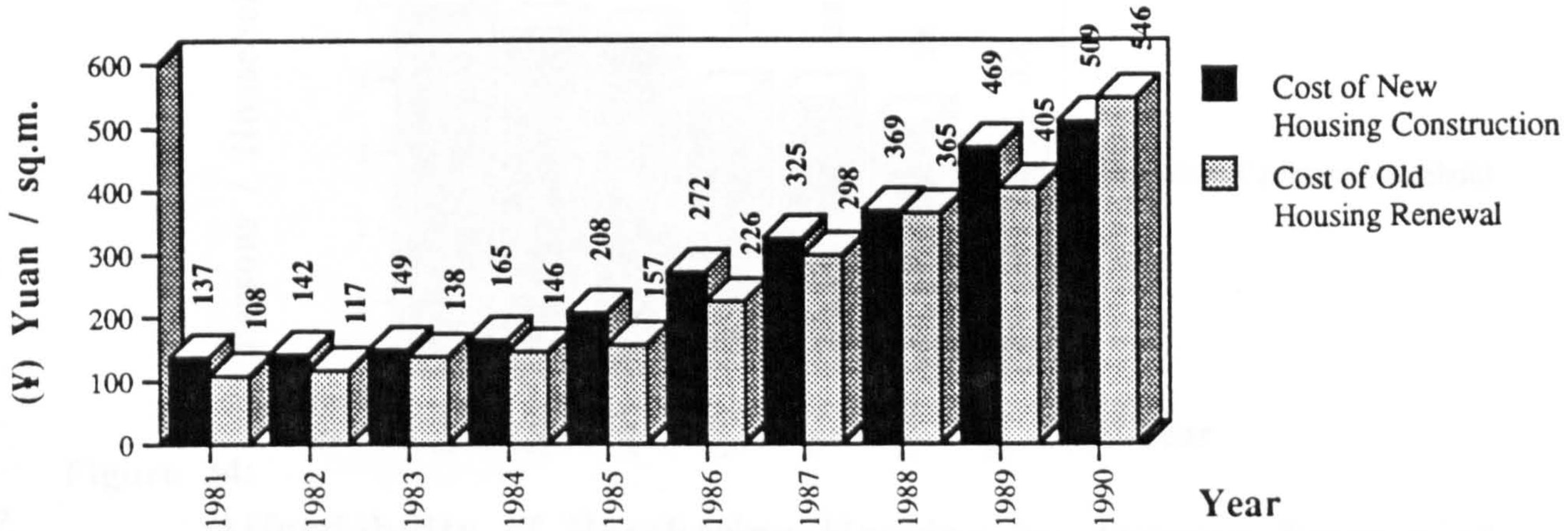


Figure 31: Housing Sales on the Property Market in Shanghai, 1980-1900

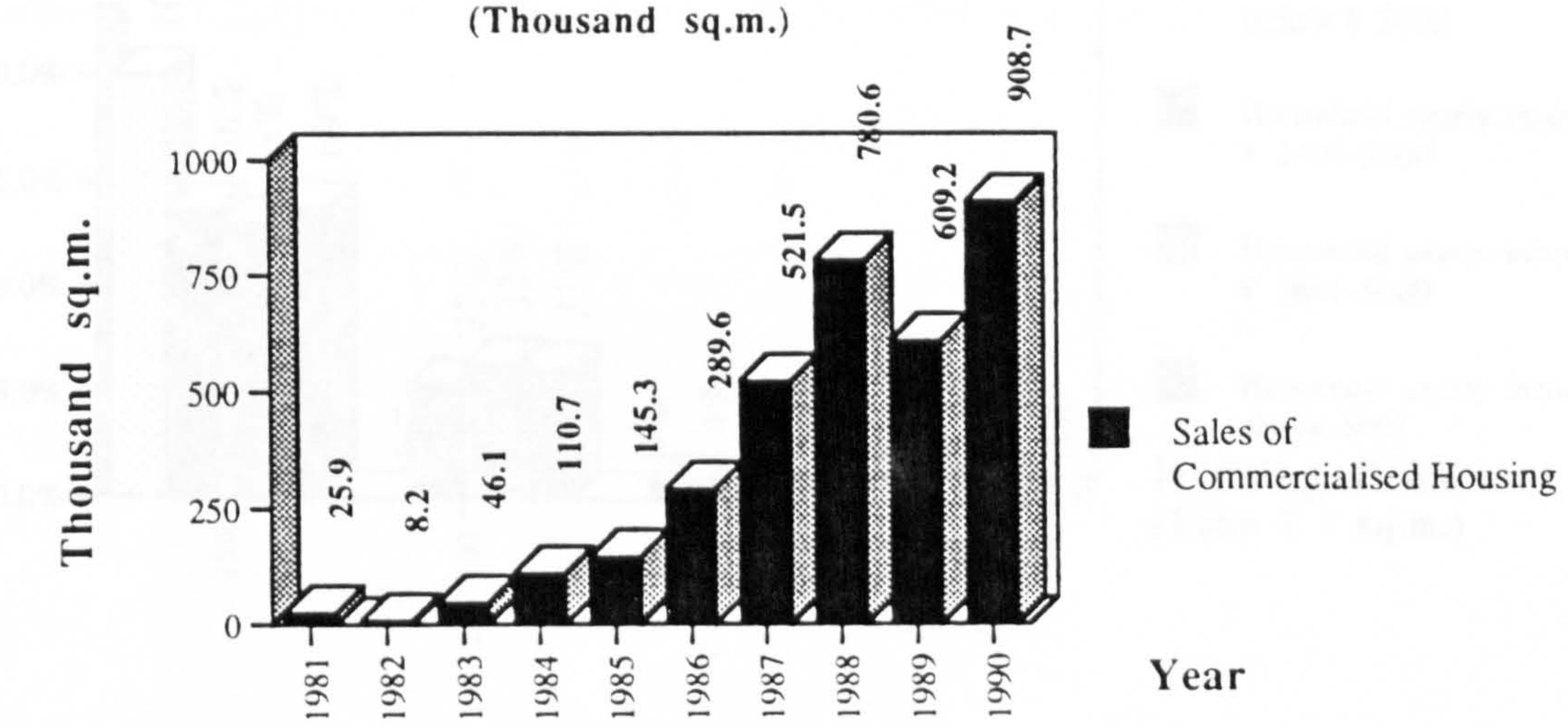


Figure 32: Households Living in Substandard Condition in Shanghai, 1980-1990

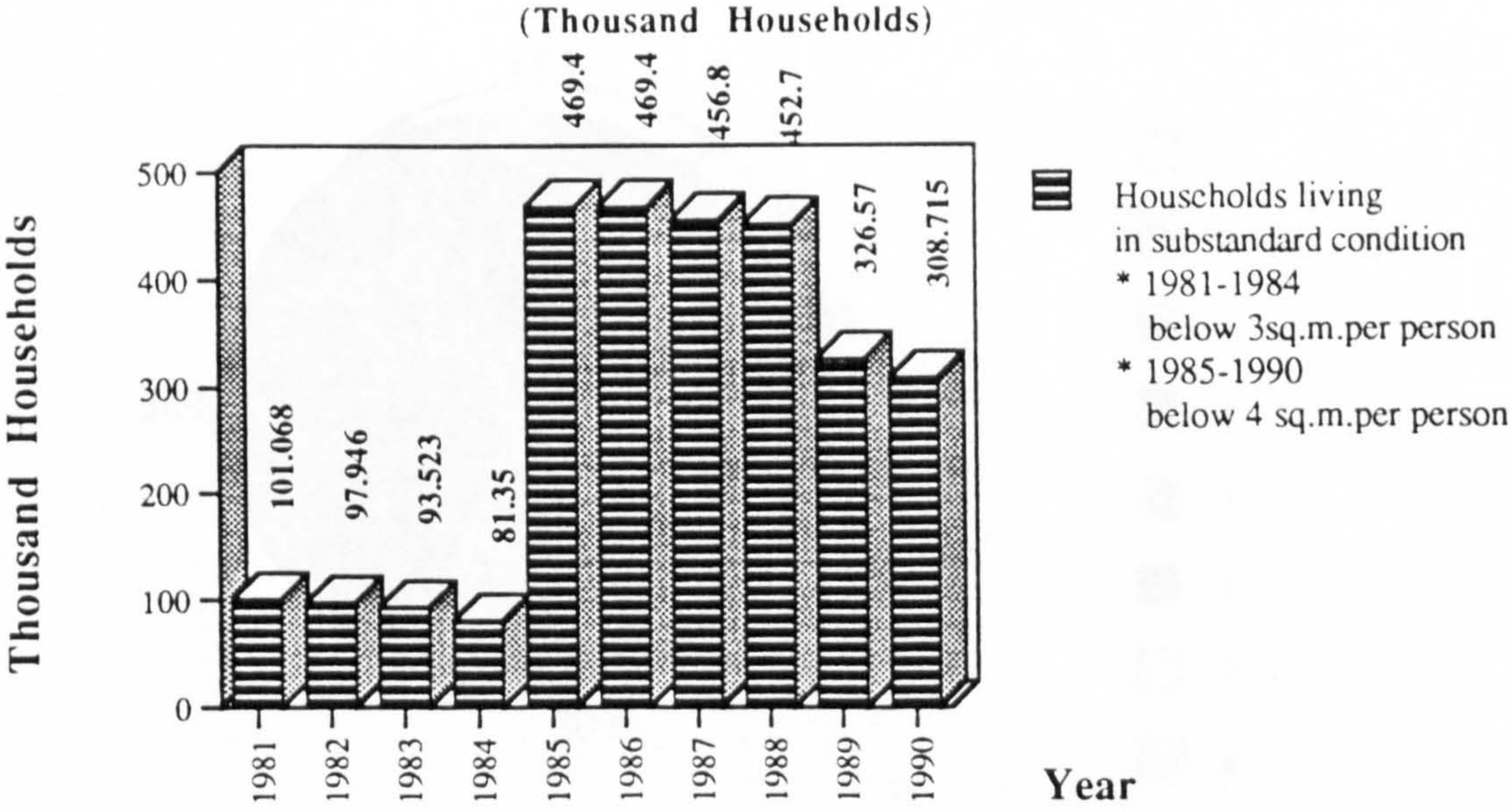


Figure 33: Size of Average Household in Shanghai, 1949-1990 (persons per household)

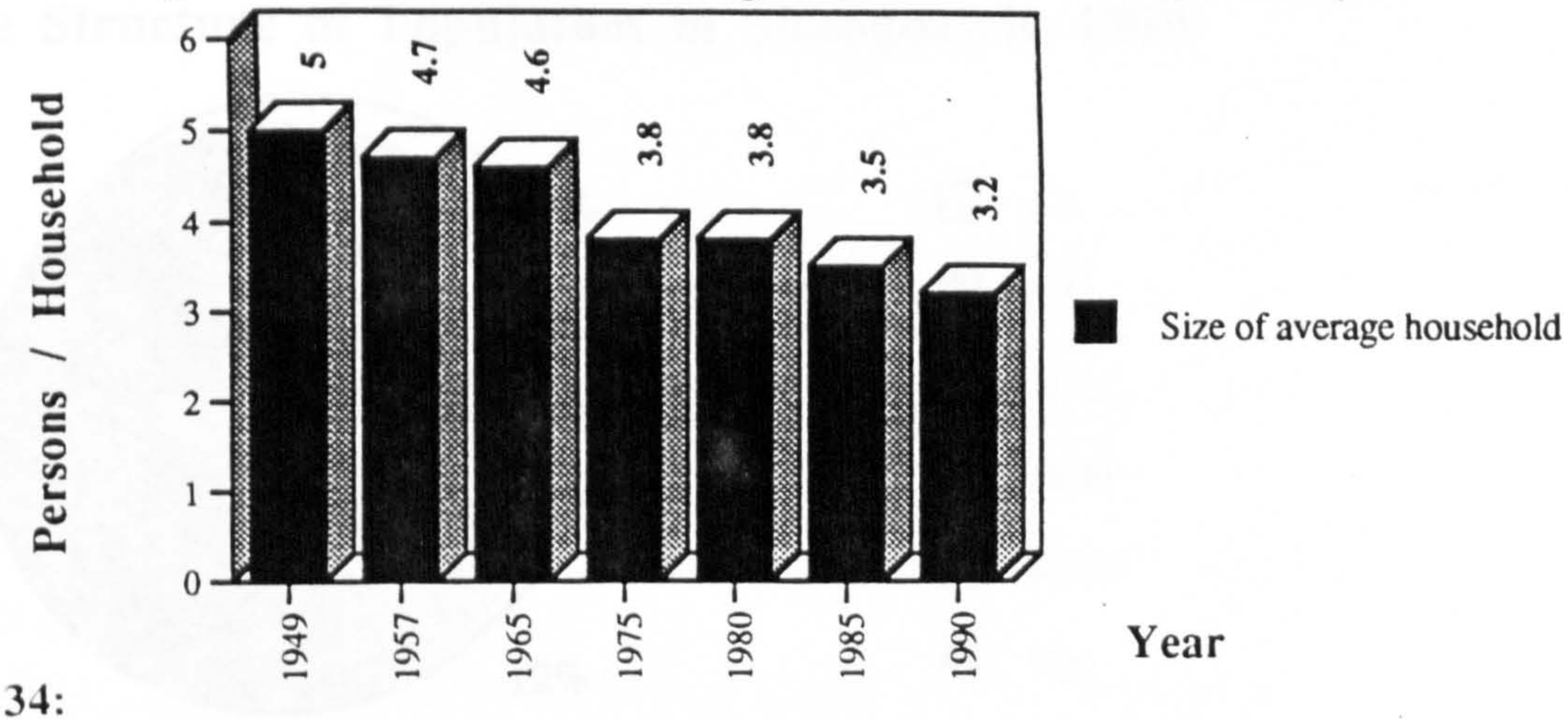


Figure 34:

Affordability of Purchasing Housing by Average Income of Shanghai Households in 1990

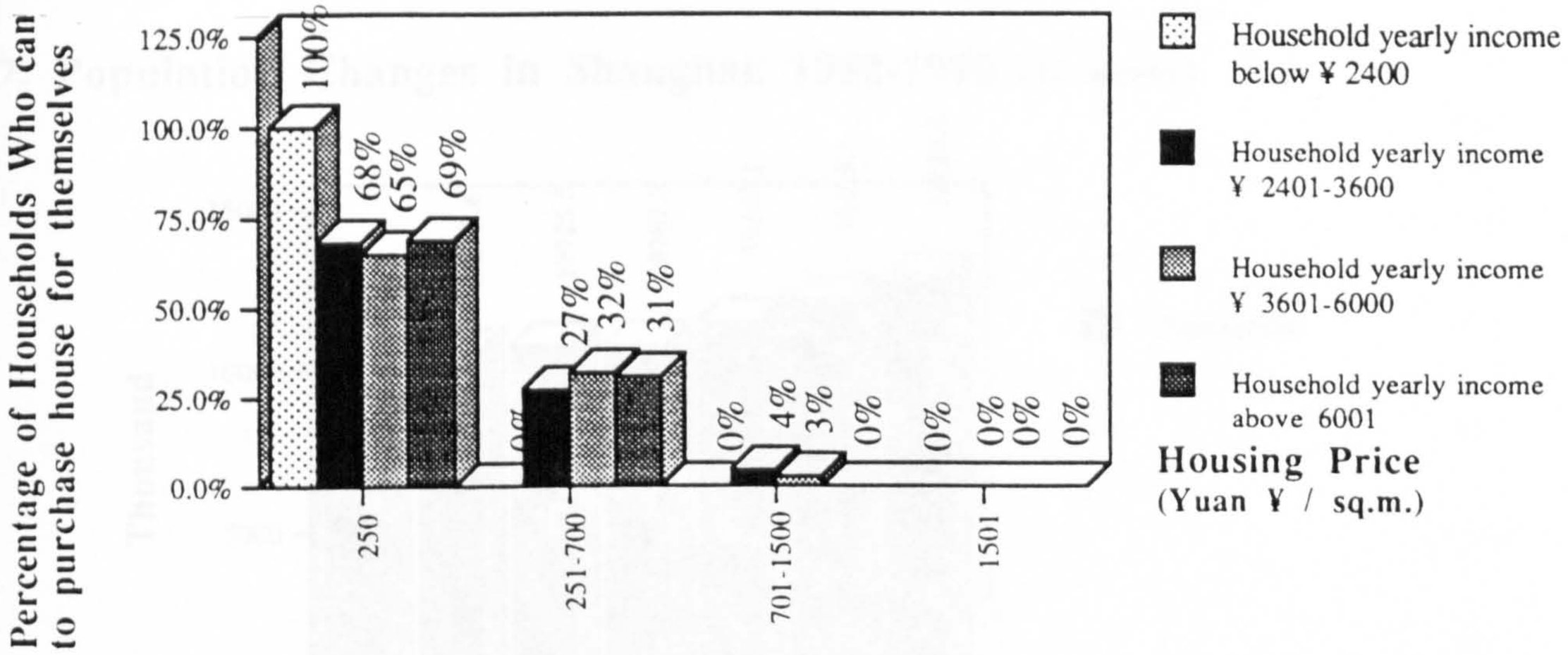


Figure 35: Household Size in Shanghai in 1990 (Persons / household)

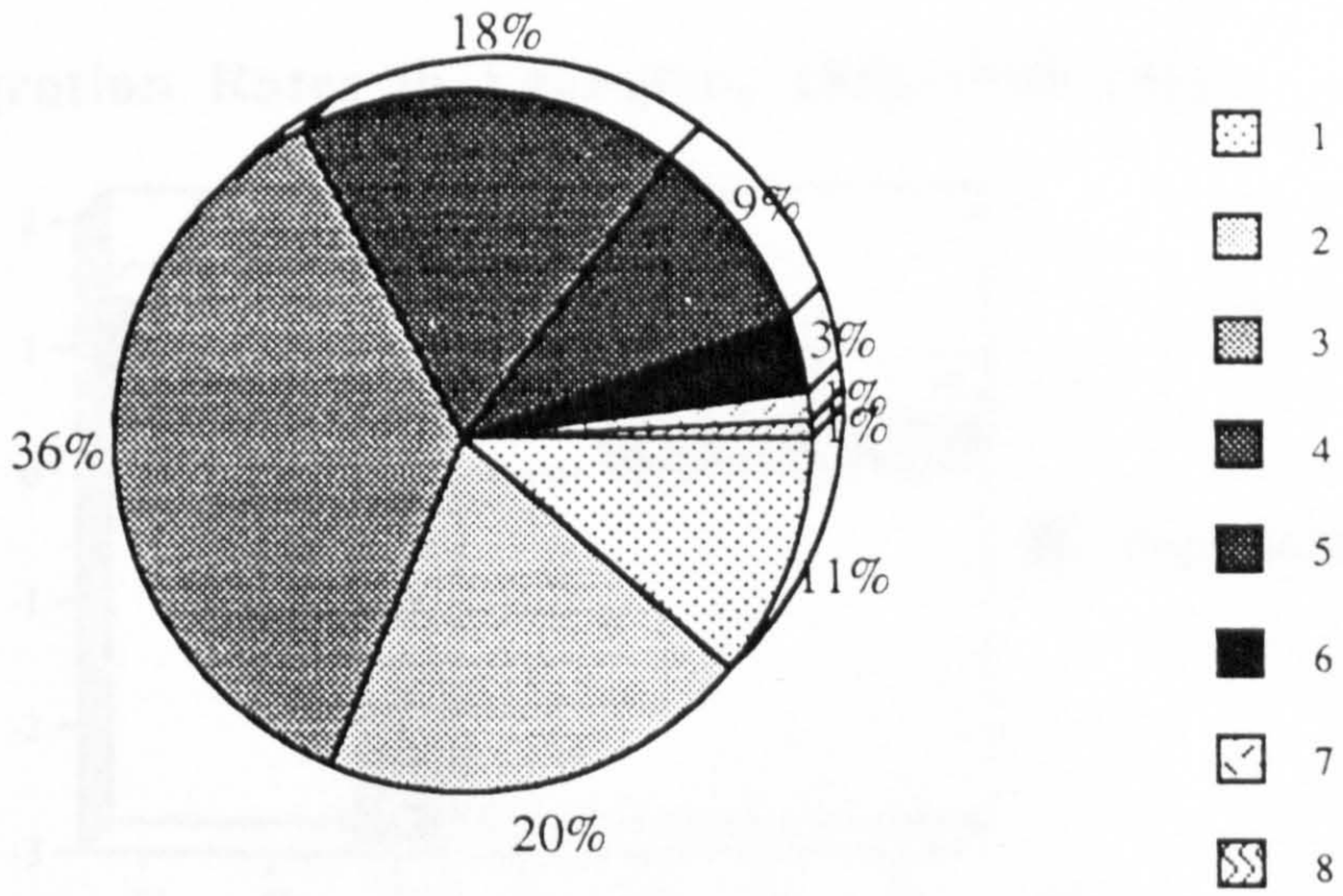


Figure 36: Age Structure of Population in Shanghai in 1990

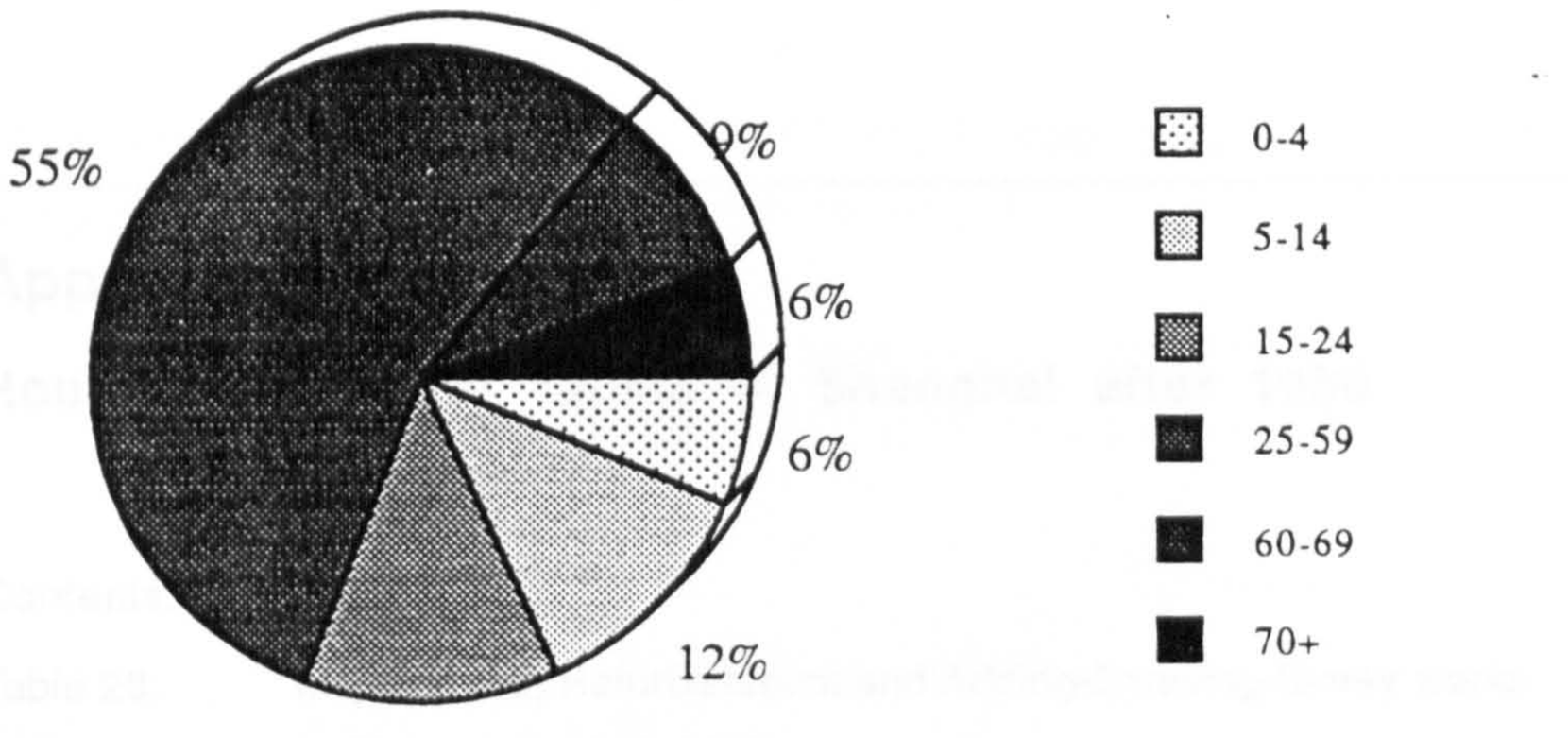


Figure 37: Population Changes in Shanghai, 1952-1990 (Thousand)

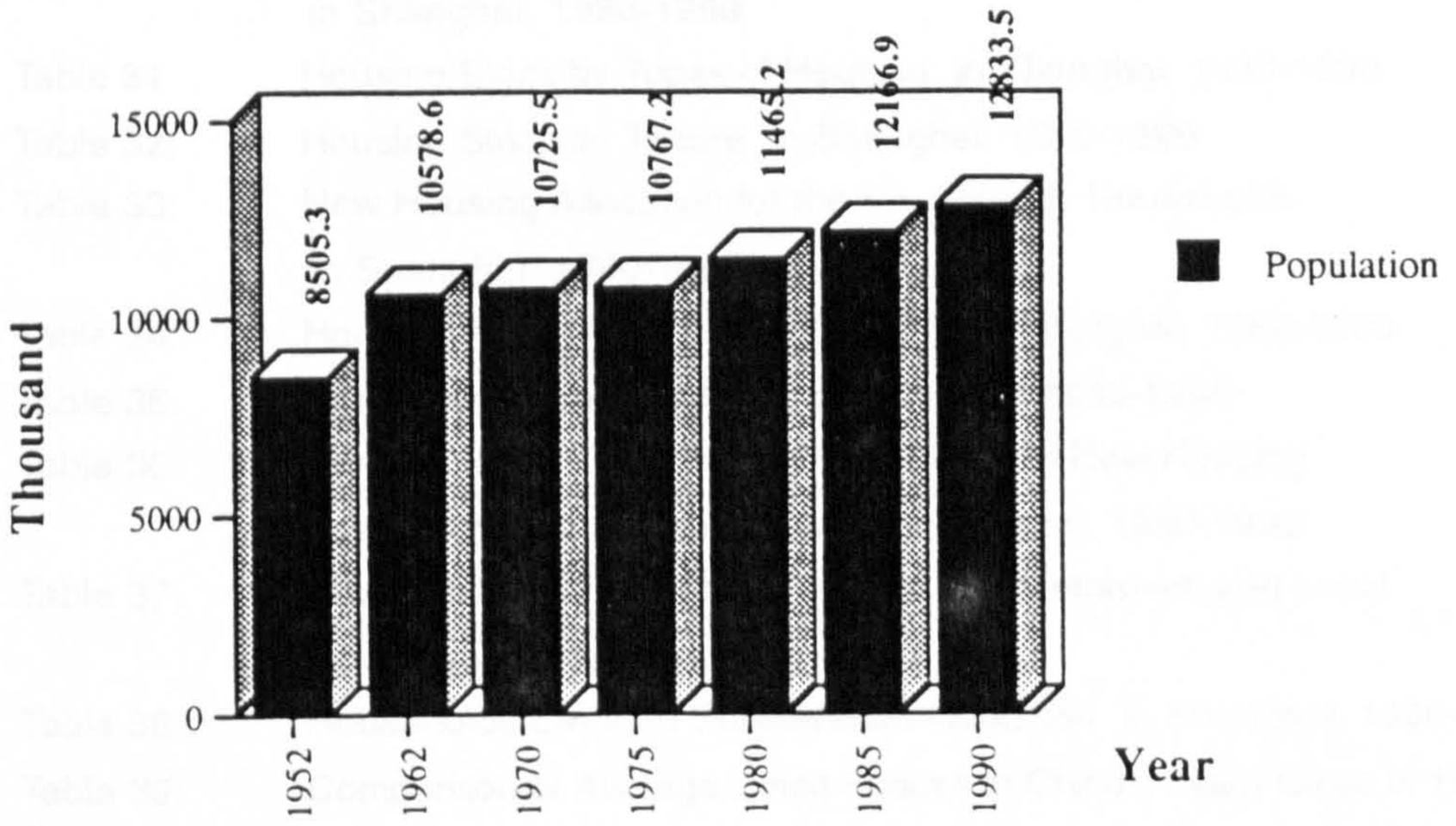
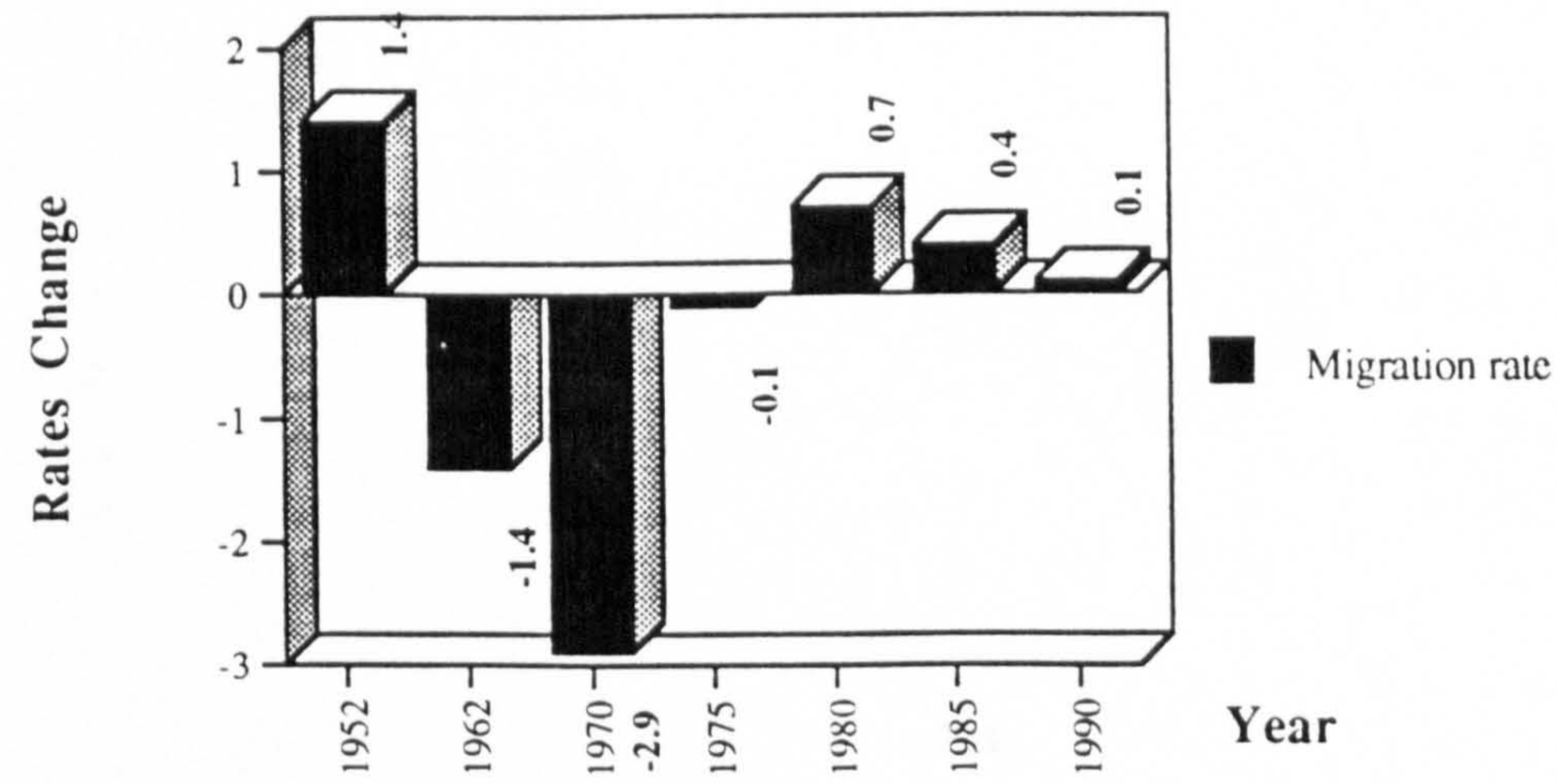


Figure 38: Migration Rates in Shanghai, 1952-1990 (%)



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All the housing background data are taken from The Statistics of Shanghai Housing Administration Bureau 1992, unless otherwise stated.

Table 28: Major Repair, Refurbishment and Adding-Dwelling-Storey Works in Shanghai 1980-1990 (Thousand M^2)

Year	Major Repair			Refurbishment	Adding-Storey
	State	Work Unit	Private		
1980	1,720	70	n/a	n/a	n/a
1981	1,790	50	n/a	30	9
1982	1,850	40	n/a	36	8
1983	1,680	90	n/a	13	7
1984	1,900	150	n/a	18	11
1985	1,600	140		70	12
1986	3,050	80		73	25
1987	2,550	40		64	36
1988	2,880	80		80	38
1989	2,560	30		61	18
1990	2,680	40		62	2

Table 29: Housing Expenditure of Median and Small Repair in Shanghai 1980-1990 (Thousand ¥ Yuan)

Year	Rent Collection (After Tax)	Expenditure of Median & Small Repair
1980	75,550	25,120
1981	75,850	25,390
1982	82,230	26,040
1983	88,870	25,600
1984	92,770	28,360
1985	98,190	31,340
1986	105,960	36,220
1987	222,530	45,990
1988	271,810	57,240
1989	288,440	71,050
1990	298,440	80,660

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Table 30: New Housing Investment and Completion of Floor Space in Shanghai 1980-1990

Year	Housing Investment (Thousand ¥ Yuan)	Completion of Floor Space (Thousand M^2)
1980	434,070	3,043
1981	570,130	2,976
1982	634,090	3,946
1983	642,530	4,059
1984	819,860	4,382
1985	1,298,510	4,886
1986	1,755,720	4,910
1987	2,259,010	4,863
1988	2,716,750	4,749
1989	1,973,000	3,710
1990	2,625,570	4,219

Table 31: Housing Stock by Types of Housing in Shanghai 1980-1990

(Million M^2)

Year	Total	Old Apartment	Detached/Semi Housing	New Flats	New Lirong	Old Lirong	Shanties	Others
1980	44.025	0.916	1.341	14.013	4.338	18.222	4.373	0.822
1981	46.074	0.912	1.346	15.919	4.342	18.536	4.188	0.831
1982	49.455	0.897	1.345	17932	4.343	21.186	2.912	0.840
1983	52.279	0.923	1.353	20.225	4.368	21.492	2.964	0.954
1984	55.089	0.921	1.356	22.832	4.387	21.723	2.874	0.996
1985	64.443	0.946	1.363	27.301	4.649	26.421	2.807	0.956
1986	73.425	1.045	1.521	32.621	4.758	31.216	1.345	0.919
1987	77.090	1.030	1.530	36.800	4.760	30.750	1.290	0.930
1988	80.820	1.040	1.520	40.850	4.750	30.580	1.290	0.790
1989	85.350	1.110	1.580	44.910	4.760	30.950	1.240	0.800
1990	89.010	1.180	1.580	48.840	4.740	30.670	1.230	0.770

Table 32: Housing Stock by Tenure in Shanghai 1980-1990 (Million M^2)

Year	Total Stock	State	Work Unit	Private
1980	44.025	32.193	2.388	9.444
1981	46.074	33.440	2.963	9.673
1982	49.455	34.915	3.494	11.016
1983	52.279	37.228	3.911	11.140
1984	55.089	39.213	4.413	11.463
1985	64.443	43.134	5.491	15.818
1986	73.425	47.114	7.533	18.778
1987	77.090	50.220	8.260	18.610
1988	80.820	53.690	8.350	18.780
1989	85.350	56.020	9.890	19.440
1990	89.010	58.500	11.440	19.070

Table 33: New Housing Allocation for the Most-Needy Households in Shanghai 1980-1990 (Households)

Year	Total Allocation	Over-Crowded	Newly-Weds	Below $2M^2$p.p.	Homeless
1980	17,754	5,101	5,952	3,002	3,699
1981	21,307	6,524	8,577	4,025	2,181
1982	31,507	9,390	14,134	5,092	2,891
1983	33,857	10,292	14,978	5,790	2,797
1984	42,645	20,935	15,606	4,874	1,239
1985	42,110	21,976	15,077	4,279	778
1986	47,967	24,720	15,001	7,326	920
1987	57,200	32,000	13,800	10,200	1,200
1988	56,800	29,800	13,300	10,700	3,000
1989	46,900	21,900	10,400	11,900	2,700
1990	68,400	32,600	12,700	20,200	2,900

Table 34: Households' Average Living Spaces in Shanghai 1980-1990

Year	Total Floor Space (Million M^2)	Total Net Living Space (Million M^2)	Total Population (Million)	Average Living Space (M^2 Per Person)
1980	44.020	26.470	6.013	4.4
1981	46.074	27.550	6.134	4.5
1982	49.455	29.680	6.268	4.7
1983	52.299	31.290	6.390	4.9
1984	55.089	32.666	6.881	4.7
1985	64.443	37.821	6.983	5.4
1986	73.425	42.706	7.102	6.0
1987	77.091	44.425	7.218	6.15
1988	80.915	46.255	7.327	6.3
1989	85.352	47.564	7.471	6.4
1990	89.005	50.188	7.582	6.6

Table 35: Demolition of Old Buildings in Shanghai 1980-1990 (M^2)

Year	Total Demolition	Older Housing	Shanties	Others
1980	566,000	246,000	131,000	320,000
1981	634,000	329,000	162,000	305,000
1982	712,000	397,000	227,000	315,000
1983	679,000	297,000	142,000	382,000
1984	751,000	473,000	108,000	278,000
1985	1,156,000	919,000	201,000	237,000
1986	907,000	696,000	100,000	211,000
1987	958,000	682,000	65,000	276,000
1988	858,000	484,000	36,000	374,000
1989	798,000	463,000	29,000	335,000
1990	1,189,000	790,000	30,000	399,000

Table 36: Comparison of Construction Cost Between New Housing and Refurbishment in Shanghai 1981-1990 (¥ Yuan Per M^2)

Year	New Housing Construction	Refurbishment
1981	137	108
1982	142	117
1983	149	138
1984	165	146
1985	208	157
1986	272	226
1987	325	298
1988	369	365
1989	469	405
1990	509	546

Table 37: New Housing Construction by Central Government (CG) and Local Authority (LA) in Shanghai 1981-1990

Year	Housing Investment (Million ¥Yuan)			Completion of Floor Spaces (Million M^2)		
	Total	By CG	By LA	Total	By CG	By LA
1981	570.13	84.22	485.91	2.976	0.450	2.525
1982	634.09	104.21	529.88	3.946	0.647	3.299
1983	642.53	113.69	528.84	4.059	0.628	3.431
1984	819.86	151.44	668.42	4.382	0.856	3.527
1985	1298.51	179.06	1119.45	4.886	0.739	4.146
1986	1755.72	332.06	1423.66	4.910	0.925	3.985
1987	2259.01	531.30	1727.71	4.863	1.047	3.816
1988	2716.75	575.84	2140.91	4.749	1.139	3.610
1989	1973.00	638.21	1134.79	3.710	0.976	2.734
1990	2625.57	488.13	2137.44	4.219	1.0539	3.166

Table 38: New Housing Construction by Private Sector in Shanghai 1981-1990
(Thousand M2)

Year	Completion of Floor Spaces
1981	273.1
1982	369.3
1983	301.1
1984	238.0
1985	154.6
1986	96.9
1987	177.2
1988	132.3
1989	156.3
1990	98.0

Table 39: Sales of Commercialised Housing in Shanghai 1981-1990
(Thousand M^2)

Year	Total Sales of Floor spaces
1981	25.9
1982	8.2
1983	46.1
1984	110.7
1985	145.3
1986	289.6
1987	521.5
1988	780.6
1989	609.2
1990	908.7

Table 40: Households Living in Substandard Condition in Shanghai 1981-1990 (Household)

Year	Total	Homeless	Inconvenience	Overcrowded	2-4M^2p.p.	Below 2M^2p.p.
1981	101,068	5,621	66,795	28,652		15,259
1982	97,946	4,929	68,756	24,261		12,025
1983	93,523	4,198	67,532	21,793		10,596
1984	81,350	3,356	59,385	18,609		11,761
1985	469,400	9,800	243,000	216,600	199,900	16,700
1986	469,400	9,800	243,000	216,600	199,900	16,700
1987	456,000	9,800	243,000	204,000	199,900	4,100
1988	452,700	9,800	243,000	199,900	199,900	/
1989	326,570	7,070	175,296	144,204	144,204	/
1990	308,715	6,681	169,511	132,523	132,523	/

(Before 1985 housing standard is 3M^2 p.p., after 1985 the standard is increased to 4M^2p.p.)

Table 41: Comparison of Average Living Spaces in China's Major Cities in 1990 (M^2 Per Person)

Cities	Average Living Spaces	Housing Investment in 1990 (Million ¥ Yuan)	Completion of Floor Spaces in 1990 (Million M^2)
Shanghai	6.6	2626	4.22
Beijing	7.72	2937	4.49
Tianjing	6.7	751	1.89
Xian	6.19	390	1.11
Nanjing	7.1	444	1.17
Chongching	5.1	570	1.77
Guanzhou	7.99	1714	3.10